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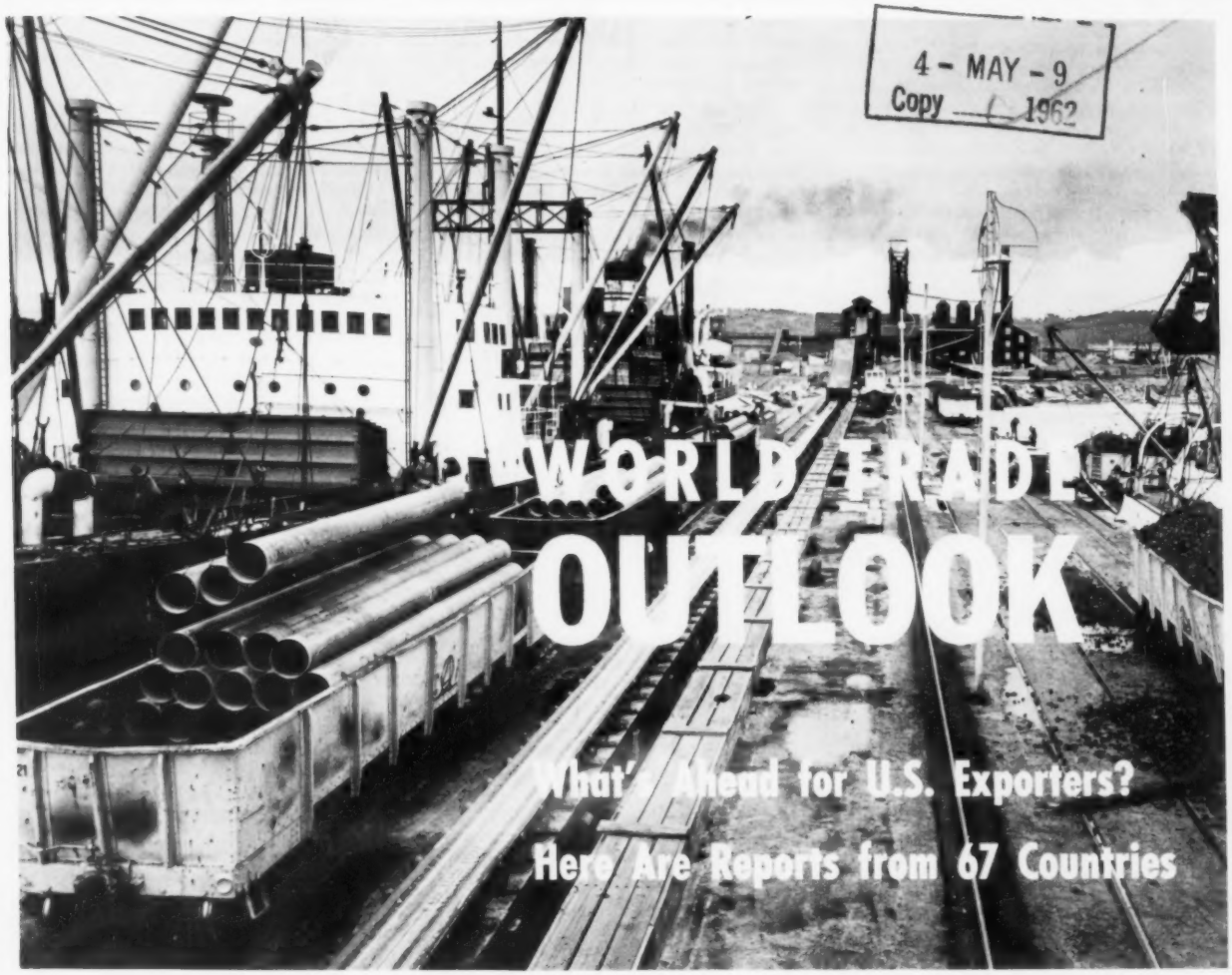

# Foreign Commerce Weekly

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*Secretary Starts COMAP*

# Business Given New Role In 'Alliance for Progress'

Secretary of Commerce Luther H. Hodges has announced establishment of a top-level business action group to accelerate the contribution of the American Business Community to the Alliance for Progress.

To be known as COMAP—Commerce Committee for the Alliance for Progress—the new bipartisan group of U.S. business leaders will implement its programs through action task forces.

The COMAP task forces will work toward specific investment and social progress goals of the Alliance in such fields as housing and slum clearance, food-processing, chemicals and fertilizers, regional economic integration and other areas of critical need.

COMAP also will aim to generate joint participation with Latin Americans in meeting mutual social progress and investment responsibilities under the terms of the Alliance.

COMAP was established by the Secretary of Commerce after consultation with the President, and in cooperation with AID Administrator Fowler Hamilton and Alliance for Progress Coordinator Teodoro Moscoso, as well as with the Department of State, USIA and other agencies actively involved in Alliance programs.

### *Grace Named Chairman*

The Secretary announced appointment of J. Peter Grace, Chairman of the Board of W. R. Grace & Co., as National Chairman of COMAP.

J. Wilner Sundelson has been made available by the Ford Motor Co. from his post as Planning Assistant to the Vice President of the Company. He will serve actively in Washington as Task Forces Coordinator.

Other appointments to the group are expected to be announced before COMAP's meeting in Washington on May 9, the Secretary said.

Said Secretary Hodges: "With this program, the Department of Commerce sponsors a mobilization of private participation in the Alliance for Progress, with U.S. business assuming added responsibilities.

"COMAP constitutes a serious step in a coordinated, long-range Administration effort to increase private sector contributions to the healthy development of Latin American economies."

The Secretary described COMAP as "an unusual committee in that it is designed less for advice than for action. Its success will be measured in part by my expectation that its May 9 meeting will be its only full meeting. From that point forward, the COMAP Task Force members will roll up their sleeves and go to work."

In emphasizing the importance of private investment to Latin America, the Secretary referred to a study by the Department's Office of Business Economics, which shows that in a recent and fairly typical year, U.S. companies in Latin America were responsible for one-third of the entire volume of Latin American exports.

These companies paid over $6 billion in wages, salaries, and taxes, and for local materials and services. Of this, almost $1.5 billion went for taxes. U.S. firms pay about 20% of all taxes paid in Latin America.

The U.S. companies also employ about a million workers, 98% of whom are local residents, the Secretary pointed out.

### *Joint Venture*

The Secretary added: "In the Alliance for Progress we are talking about a joint venture in social and economic development by 20 American republics.

"Although it is misleading to talk about the responsibility of the private sector purely in terms of dollar requirements, it is nonetheless important to recall that the Alliance has as its goal a minimum quota of $300 million a year in new private investment.

"The principal need lies in the technical and managerial know-how which the private sector must mobilize for the ultimate purpose of putting men to work in free societies in Latin America.

"This know-how is simply not available in the public sector; it can come only from the private economic sector.

"COMAP's achievements will lie in the effectiveness with which it can assist in unlocking the private storehouses of know-how.

"To the extent we are successful, we will abet the 20th Century's greatest experiment toward peaceable, democratic social transformation. That is what the Commerce Committee for the Alliance for Progress is all about."

# Mexico Economy Continues Gain; Canada Promotes Business Boom

Mexico's economy moved forward unevenly during 1961, registering impressive gains in some sectors and severe setbacks in others. The general trend was upward, though at a slower pace than 1960.

The two sectors showing greatest improvement were foreign trade and agricultural production. The petroleum industry forged ahead, and the electric power industry maintained its high 1960 rate.

Manufacturing slowed to less than half of its previous rate of growth, as did commerce. Construction, transportation and mining were depressed.

Basically, the economy continued to be strong in 1961, carried along by the momentum of the preceding years and by stepped-up activity of the Government in the economic area.

There was a minimum of price fluctuation and the level remained close to that of 1960, which helped maintain the purchasing power of the peso.

Substantial credits were obtained from abroad, which strengthened the financial and economic structure and helped to support the large volume of imports. Income from tourism increased in 1961, particularly after mid-year.

### Payments Deficit

The balance of payments deficit at the end of October was $77.8 million, as against $99 million on the same date of 1960. Central Bank's reserves were $390.2 million as the year closed, a drop of $20 million from the previous year-end figure.

Subsequently, the Government announced that the $20 million difference had been made up and the December 1960 figure ($410 million) surpassed. This has had a salutary effect in business and financial circles.

Uncertainty and caution marked activity in most areas during 1961, causing a decline in gross national product growth, the increase being only 3.5%, compared to 5.7% in 1960.

Business generally was disturbed by concern over the Government's political orientation following pro-Castro demonstrations and its nationalization and Mexicanization policies in industry; Mexico's negative vote in the Organization of American States (OAS); and a substantial flight of capital from Mexico.

If 1962's imports are to be maintained at the 1961 level and other balance of payments items covered without an undue drain on exchange reserves, a continued high level of external credits and foreign

(*Continued on page 739*)

The Canadian Government has adopted a business tax write-off plan to promote the increased consumer sales needed for a 7% rise in gross national product which the national budget foresees for 1962.

In his budget speech to Parliament on April 10, Finance Minister Donald M. Fleming outlined a generally expansionist fiscal policy for the Federal Government to encourage the business revival which began in the Spring of 1961.

The budget provides that companies engaged in manufacturing or processing can write off 50% of income tax on the first $50,000 of taxable income arising from increased sales, and 25% of the tax on any additional increased sales income. The benefit applies to income earned after March 31, 1962.

The double depreciation established a year ago for investment in assets acquired to manufacture products new to Canada or new in designated surplus manpower areas is being extended to January 1, 1964. The Minister said $112 million in assets had been certified and a steady stream of applications was being received.

Basic personal and corporation tax rates were left unchanged, but the allowances granted to oil companies to charge off pre-production expenses in gas and oil exploration were extended to individuals and to companies not normally engaged in petroleum or mining.

The Federal Government also moved to eliminate discriminatory taxation of the logging and mining industries in Ontario and British Columbia, where such companies pay a 10% royalty tax over and above income tax.

Mr. Fleming proposed that they be given a Federal tax credit equal to two-thirds of the provincial tax up to a maximum of 10% and hoped the Provinces would remove the remaining one-third.

### Assumes Farm Recovery

The predicted rise, the largest in the Canadian GNP since 1958, assumes there will be no repetition of last summer's drought in the Prairie Provinces to hold down that region's normally large grain production. Last year's small harvest cost the GNP an estimated 1% with the result that the advance in the country's total output of goods and services over 1960 was held to 2.5%.

Early reports from the Prairie Provinces indicate a substantial increase in wheat acreage this year, which presumably figures in the optimistic official calculation.

In the final quarter of 1961 output was

The extensive and significant articles in this special issue were prepared by area specialists from the Commerce Department's Office of Regional Economics, Bureau of International Programs and were based on reports from U.S Embassies around the world.

They are combined in 5 geographic groupings—The Americas, Africa, Near East-South Asia, Far East and Oceania, and Western Europe.

In addition, a special analysis of U.S. foreign trade appears on page 740, and an overall survey of U.S.-Africa trade appears on page 764.

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running 3% above the average for the calendar year, so that actually the 1962 goal envisions a further gain of about 4%.

### Output Paused in January

Whether this rate of growth is attained depends on how effective the proposed tax revisions will be in stimulating goods consumption.

Canadian exports have been setting new records for more than a year. In the domestic economy, however, personal expenditures on services have been gaining faster than those for consumer goods. Business inventories built up rapidly in the last quarter of 1961. In January the Dominion Bureau of Statistics seasonally adjusted index recorded a 1% decline in industrial production after an unbroken advance since March of last year. However, new orders during the month were up 3% from December and unfilled orders at the month-end had increased almost 5% for the third successive month.

The rising trend of bookings persisted through March, according to published reports of the Canadian Association of Purchasing Agents, with 49% of the companies queried showing improving orders. The January lag, therefore, appears to have been temporary.

In point of income, the past winter was more favorable than 1960-61, with unemployment lower, although still high at about 6% of the labor force on February 15.

### Capital Spending Reviving

Another favorable development of the first quarter was the publication of the survey of planned capital expenditures for 1962, which showed a projected increase of 6% after two years of declining outlay.

The $8.5 billion total is the highest since 1957 and, significantly for U.S. trade, contains an estimated 8% rise in machinery outlays. These purchases had fallen 10% in 1961.

The size of the gain is heavily influenced by a 15.6% increase in Government and institutional spending, which is expected to send the value of new construction to a new record.

Expenditures on home building indicate a moderate increase in the completion of units already started, but new building starts are not expected to be greatly different from 1960 due to the persistence of unemployment.

### Business Outlays Lag

The planned 1962 increase in business outlays is only 2%, and focuses largely on the provision of additional primary iron and steel facilities and new capacity for the primary processing of nonferrous metals.

The electrical products sector of manufactures also is scheduled for substantial increase, as are petroleum and coal products processing, electric power utilities, telephones, the railway and urban transit systems and the provision of water and sewage.

United States exports to Canada fell by $60 million in 1961, but activity during a very strong fourth quarter was 7% higher than the same period in 1960.

U.S. imports from Canada hit a new record value of $3.26 billion, an increase of almost $350 million over 1960.

January trade continued this trend, seasonally slightly lower but much above the first month of 1961. Imports at $276 million were higher than exports at $272 million, an unusual and probably temporary development.

### Trade Revival

Canadian-American trade has clearly thrown off the recessive tendencies of late 1960 and early 1961, perhaps reflecting the changed position of the Canadian dollar which has gone from a premium to a 5% discount over the past year.

While denying that the exchange rate was being driven down by Government action, Mr. Fleming's budget speech expressed the conviction that the changed exchange rate had been an important factor in Canada's improved international account position in 1961 and in the emergence of a favorable trade balance.

Commodity analysis of the U.S. returns reflects other important factors, including the shortage of Canadian feed grains, which boosted U.S. exports and increased livestock imports.

There was also a large rise in petroleum imports—by far the most important factor in the trade's overall gain for the year. Except for these special sectors, American-Canadian trade appears to be making comprehensive but unspectacular recovery.

Canadian records show the dominant position of the United States to have been virtually unchanged in 1961 with a 67% share of total impotrs. In total Canadian exports, however, the U.S. share declined slightly because of the large rise in exports to other countries.

# Peru's Trade, Industry Show Marked Activity

Through sound monetary and fiscal policies, Peru has established a stable basis for accelerated economic development.

Although the Presidential election scheduled for June of this year creates an element of uncertainty, economic indicators point to a continuation of the favorable trends of last year.

Real gross national product in 1962 is expected to increase about 5%.

Imports are expected to record a gain of about 14% and exports about 5% over the record 1961 level.

Foreign trade reached new records in 1961 with imports rising by 25% and exports by 15% over the preceding year. Real gross national product advanced at an annual rate of 6%.

Exports rose to $496.4 million, as compared to the previous record of $433.0 million in 1960, while imports reached a record of $469.4 million, as compared to $374.8 million in the preceding year.

### Merchandise Balance Favorable

In spite of the rapid increase in imports, there was a favorable merchandise balance of $27 million.

Indeed, as a result of net capital inflows, the country experienced a balance-of-payments surplus of $37 million in 1961.

Consequently, the Central Reserve Bank's net working balance of gold and foreign exchange reserves on December 31, 1961, stood at a record level of $82 million, compared with $45 million on the same day in 1960.

The exchange rate for the sol remained firm throughout the year at 26.81 soles to the dollar.

Earnings from exports, which in recent years have expanded rapidly with the remarkable increase in production of copper, iron ore, and fishmeal, totaled almost $500 million, or more than twice the 1950 level.

The increase was largely accounted for by the volume of exports of marine products (mainly fishmeal), copper, and iron ore, and by the increased price received from sugar as a result of exporting largely to the high-priced U.S. sugar market.

The composition of Peruvian imports continued to shift in the direction of more raw materials, tools, and equipment.

Imports of machinery amounted to about 26% of total imports; vehicles and transport equipment, to 14%; foodstuffs (mainly cereals), beverages, and tobacco, 14%; metal and metal products, 11%; chemicals and pharmaceutical products, 11%; textile and textile products, 6%.

### Imports From U.S. Jump

Preliminary data indicate that imports from the U.S. reached a record of $204.1 million or about 12% above the 1960 level.

While total imports from the United States are increasing in the aggregate, America's relative market share has continued to decline, standing at 43.5% of total imports in 1961 as compared to 43.9% in 1960.

**The balance-of-payments surplus in 1961, the strong exchange reserve position of the Central Bank, and prospect of a further increase in earnings from exports in 1962 all indicate that in spite of the high level of imports achieved in the last year, Peru has the capacity to support a further increase in imports in 1962.**

**The trend toward relatively greater imports of capital equipment and raw materials is expected to persist, but opportunities for imports of many consumer goods not domestically produced still exist.**

### *Export Industries Pace Setters*

The export industries—particularly copper, iron ore, and fishmeal—were pace setters for the Peruvian economy's dynamic growth in 1961, but manufacturing activity also experienced an unusually high rate of growth under the stimulus of tax exemptions and other incentives offered by the Industrial Development Law of 1959.

Agricultural and fisheries production rose by about 5% with increases in cotton, sugar, fish and fishmeal among the exports and rice, wheat, corn, and barley gaining moderately among domestic crops.

Mining output—a major source of exchange earnings—rose by about 6% with copper and iron ore registering the most significant gains.

Manufacturing activity increased by about 8%. According to the Ministry of Economy, 750 new firms with an aggregate capital of $31.1 million were established in 1960 and 1961, mainly in food processing, chemicals, metalworking, and textiles.

### *LAFTA Tariff Rates Set*

A development expected to provide further stimulus to the growth of the economy—particularly manufacturing—was establishment on January 1, 1962, of new tariff rates by members of the Latin American Free Trade Association (LAFTA).

Significant tariff reductions on many products exchanged between the contracting countries to LAFTA—Argentina, Brazil, Chile, Colombia; Ecuador, Mexico, Paraguay, Peru, and Uruguay—went into effect last January 1.

Gradual reduction of tariffs on products exchanged between the contracting parties is planned so that within a 12-year period import duties and restrictions on such products will have been completely removed.

The new LAFTA concessions apply to a number of products of which the U.S. has been an important supplier, such as meat, butter, cheese, fresh and dried fruits, wheat, barley, tallow, soups, canned fruits, glucose, films, motion picture films, lumber, newsprint, books, newspapers, textile machinery, headlights, cameras, projectors and phonographs.

### *New Projects Planned*

Under the Alliance for Progress, the Government in 1961 initiated studies for an overall development plan which calls for rapid and balanced growth of the economy.

This year will see work started on many new projects, both in the public and private sectors of the economy.

Considerable funds are now available to Peru for public sector projects as a result of loans made in 1960 and 1961 by the Inter-American Development Bank, the World Bank, the Export-Import Bank, and the Development Loan Fund.

The growth of purchasing power, an investment climate characterized by a minimum of Government interference, a favorable industrial development law and establishment of LAFTA are all factors expected to spur private investments.

Peru has thus far been successful in attracting large-scale private investments, but additional inflows of capital are required if balanced development is to be maintained.

*Foreign Trade Picture Mixed*

# Argentine Economic Development Tied to Government Stability

The political crisis in Argentina has obscured economic activities and confused any prognosis of likely trade policy developments.

From the intent of measures adopted by the deposed Frondizi Administration in the early months of 1962, and from steps taken by the successor Guido Administration in April, it appears certain that imports by the private sector will be sharply reduced during the current year.

Such a reduction appears mandatory in the light of the greatly diminished holdings of gold and foreign exchange and the rather modest Argentine export prospects for 1962.

Offsetting the anticipated reduction in private imports are the heavy requirements of capital goods and supplies which the Government will need to carry out its ambitious public works programs.

Execution of these programs will depend upon the arrangement of international credits, and the extension of such credits will hinge upon confidence in Argentine political and economic stability.

### *U.S. Chief Supplier*

In 11 months of 1961, the latest period for which Argentine data are available, U.S. exports to Argentina reached a record level of $344.6 million and represented 26.1% of the total trade, by far the largest share of any supplying country.

This proportion approximated that of the corresponding period of 1960, when the U.S. supplied 25.8% of all Argentine imports by value.

Other leading suppliers in 1961 were West Germany, 14.5%; the United Kingdom, 9.6%; and Italy, 7.1%.

As a customer, the U.S. took 8.6% of all Argentine exports by value in January-November 1961, or about the same proportion as in 1960.

The United Kingdom was the principal market for Argentine exports, taking 17.8%.

In its trade with Argentina in January-November 1961, the United States registered a favorable balance of $268.1 million, or an amount equal to 62% of Argentina's total trade deficit for the period ($429.8 million).

**Machinery and vehicles accounted for 71% of U.S. exports to Argentina.**

Other leading U.S. export categories were metals and manufactures other than machinery and vehicles, chemicals and related products, and, of lesser importance, textile fibers and manufactures, inedible vegetable products except fibers and wood, and nonmetallic minerals.

U.S. imports from Argentina consisted chiefly of textile fibers and manufactures, essentially wool, foodstuffs (largely canned meat), and inedible animal products (largely casein or lactarene).

The pattern of Argentine import requirements in the current year is not expected to change radically.

Import priorities undoubtedly will include machinery and vehicles, iron and steel, chemicals, and, to a lesser degree, lumber and fuels, and lubricants, all necessary to implement such high-priority projects as road construction, electric power expansion, housing construction, airport improvement and development, and railroad rehabilitation.

The ability to finance these import requirements poses a serious problem.

Argentina's external public indebted-

ness in the current year and in the years immediately ahead is estimated to approximate $300 million a year in servicing and amortization commitments, an amount roughly equivalent to 30% of normal export earnings.

In addition there is a heavy but indeterminate volume of private foreign obligations.

The outlay on such imports will lead to only limited import substitutions and will not result in important exchange earning enterprises. Accordingly, the agricultural sector, which normally accounts for 95% of Argentina's export sales, will be required to provide the exchange to pay for new imports, together with short-term credits that the public and private sectors may be able to arrange abroad.

Prospects for greatly increased agricultural exports this year are not encouraging. Wheat shipments undoubtedly will substantially exceed those of last year, but will be small compared to past normal averages.

Because of smaller carry-overs, wool exports will fall behind last year's level and meat exports, impeded by protectionism in the European market, are not expected to show a great increase over last year.

**It appears reasonably certain that export earnings will not suffice to support import requirements.**

The gap necessarily must be taken up by a continued inflow of foreign investment capital and by further external credit arrangements.

### *Exchange Reserves Decline*

Recent political, as well as monetary, developments in Argentina would suggest, however, an understandable caution on the part of potential investors and lenders.

In 1961 between the end of March and November, Central Bank holdings of gold and foreign exchange declined from the equivalent of $749.6 million to $520.3 million. This drastic decline in holdings, despite the high incidence of deferred payments on imports and the net inflow of investment capital and international credits, was largely attributable to Central Bank sales of dollars to support the exchange value of the Argentine peso in the face of the mounting trade deficit.

From the beginning of 1962, until the fall of the Frondizi Government, the Bank had to commit further large amounts of dollars to protect the peso.

On April 9, the Bank withdrew, at least temporarily, from exchange market operations and the peso, freed from artificial support at 82.90 to the dollar, dropped to more than 90 to the dollar, with expectation of further weakening.

Measures introduced by the Frondizi Government in January reflected intent to curb imports. The surcharge exemption accorded to imports of production line machinery by national industries was suspended, an additional 100% surcharge was placed upon nonessential imports, and the surcharge exemption on imports of machinery not manufactured locally was terminated and replaced by a 40% surcharge.

In a move to discourage imports and conserve exchange, the Guido Government has imposed a 20% tax on imports (FCW, Apr. 23, p. 723).

Further measures to restrain exchange transactions involved imposition of a 50% prior deposit against exchange futures.

# Venezuela Encourages Foreign Investment

Prospects for increased United States trade with Venezuela are, at best, uncertain at this time.

In order to reduce imports, curb capital flight and increase exports, the Venezuelan Government on April 2 drastically reduced the number of products eligible for importation at the preferential exchange rate.

Only 105 tariff classification items out of a former total of 1,100 now remain on the official controlled market (preferential) list, and are eligible for payment at the official rate of exchange (3.35 bolivares per dollar).

All other imports are subject to the official free rate of exchange (as of April 4, 1962, 4.54 bolivares per dollar).

The immediate outlook for increased United States investment is somewhat brighter than the trade outlook due to the government's promotion of industrialization by allowing the substitution of locally produced merchandise for imported goods.

U.S. investors, especially those willing to participate in joint ventures, will find themselves welcome in many types of industry.

As the industrial program gains momentum, and increase in U.S. trade opportunities for both industrial capital goods and raw materials may be expected. Recently-obtained international loans for rural housing and school construction may help stimulate certain sectors in the trade field.

### *Recession Lingers on*

Venezuela is still feeling the effects of the 1959-60 recession. Unemployment has remained at a high level (estimates range between 12 and 15% of the labor force), due mainly to the construction industry remaining dormant.

The government is actively promoting industrialization as part of its efforts to pull the economy up to higher levels of activity.

The government's responsibility in promoting industrial development was set forth in a Presidential Decree issued in February. The Decree states that government planning of industrial expansion within the concepts of free enterprise should be to avoid a profusion of competing manufacturers, which would raise costs and cause an inefficient use of investment capital.

The Minister of Development has announced the goals of Venezuela's present industrialization effort.

The Presidential Decree and the Minister's statement point toward a favorable investment climate but the long-awaited overall statement of government economic policy (promised for January), in which the future role of the state in industry was to be defined, has not yet been made.

### *U.S. Share Falls*

Total U.S. exports to Venezuela during 1961 amounted to $509.8 million, compared with $551.1 million in 1960. U.S. imports from Venezuela totaled $902.3 million in 1961, compared with $948.3 million in 1960.

Principal United States exports to Venezuela by major commodity groups in 1960 and 1961, respectively, were (in thousands of dollars): foodstuffs, $87,984 and $81,809; textile fibers and manufactures, $22,591 and $31,361; wood and paper, $21,613 and $23,034; non-metalic minerals, $19,285 and $15,420; metals and manufactures, $53,801 and $46,098; machinery and vehicles, $241,992 and $207,686; and chemicals and related products, $48,895 and $52,299.

Continuing a trend that started in 1958, the United States' share of the Venezuelan market again decreased slightly in 1961 to 49.1% of total imports.

In 1960, the U.S. share was 51.6%; in 1959, 52.9%; in 1958, 57.1%; and in 1957, 66.8%.

Total Venezuelan imports have also decreased from a 1957 high of $1,833 million to $1,037 million in 1961.

U.S. exporters have not been the only ones to feel the pinch, as German and British exports to Venezuela in 1960 were down 27 and 19%, respectively.

Because of basic needs, Venezuela should continue to be a good market for foodstuffs, raw materials and industrial capital goods. The outlook for imports of consumer durable goods, especially

semi-luxury and luxury items, is not good.

Some positive protective masures taken earlier this year were the establishment of special tariff classifications for collapsible aluminum tubes and insect repellents and the assigning of duties higher than those assigned to the former general classifications.

Imports of sheep and goat skins, coated wire and edible eggs (liquid, frozen or dried) were made subject to prior import licensing.

Protective measures which may affect import of pharmaceuticals, deciduous fruit pulp for local processing and canning of fruit nectars, and automobiles and their parts and accessories were under government-industry discussion early this year.

Regarding pharmaceuticals, the Minister of Development has said that Venezuela will produce 95% of the country's requirements by the end of 1962.

The pharmaceutical products association, during its February convention, recommended that protective measures be based on the industry's present and planned capacity and that only products for which the local market is too small to justify expensive production processes or facilities should be excluded from protection.

The citrus industry, in asking for restrictive measures on the imports of deciduous fruit pulp, would like to convert part of the large local demand for nectars to citrus juices.

Present plans call for severe restrictions on passenger and light commercial automotive vehicle imports beginning in 1963 as additional assembly plants come into operation.

### *Foreign Exchange Loss*

As of January 31, 1962, the Central Bank's foreign exchange reserves were $573 million, slightly higher than on December 31, 1961, but down from the December 1960, level of $606 million.

During 1962, the recent changes in exchange regulations should have a favorable effect on the country's exchange reserve position.

Exchange controls were first introduced in November 1960, when, by government decree, a dual rate system was established. The list of products that could be imported at the preferred rate has been reduced several times.

At present, only an estimated 20% of Venezuela's imports are allowed entry at the more favorable rate.

Remaining on the official rate import list are 105 items, notably a few essential foodstuffs, some pharmaceuticals, raw materials, fertilizers and agricultural machinery (see FCW, Apr. 16, 1962).

Many imports are subject to import licenses, some are subject to quotas, some to "tie-in" purchase requirements and a few items are prohibited.

### *Irregular Progress*

During 1961, changes in the composition of the gross domestic product were noted.

Petroleum production continued to grow at 3% (as in 1960), but mining production decreased approximately 28%, due to a large decrease in foreign demand for iron ore.

Manufacturing production, which decreased almost 4% in 1960, was up about 9% in 1961 as government protectionist measures took effect.

A decline in the construction industry, which was pronounced in 1960, was even more severe in 1961 as activity declined 28%.

Transportation and communications also continued to decline with output down 12% during 1961.

Although complete statistical proof was lacking, there appeared to be a definite upturn in production and in the construction field during the last quarter of 1961, stimulated considerably by government action.

Due to a high rate of population increase, it is estimated that per capita income fell about 1.2% in 1961.

Petroleum production continues to establish new records. Output in February 1962 averaged 3,237,000 barrels per day as compared with 3,078,000 per day in February 1961. The average production for the first two months of 1962 is 4.68% higher than that for the same period last year.

Diamond production in 1961 is reported to be 134,175 metric carats, an increase of 70,866 over 1960 production. Several deposits of diamonds were discovered in the Caroni River bed, which accounts for the increased 1961 production. Over half of last year's production consisted of stones for industrial uses.

### *Self-Sufficient Agriculture*

On the agricultural production front, the National Planning Agency announced that Venezuela would be self-sufficient in ten major crops in 1962 and in 46 crops by 1966. In addition to further intensification of the corn campaign, agricultural, government and industrial organizations joined forces to organize a drive for greater fruit production.

Expanded producing areas and higher prices for cotton also were announced and a coordinated program was organized to increase pork production.

A joint U.S.-Venezuelan research program, aimed at improving beef production, received considerable attention, and coffee producers were encouraged by a new Agricultural Bank system of credits.

Sharp production increases during 1961 were announced for milk and rice and an increase in potato production was forecast for 1962.

In the meantime, greater egg production caused storage accumulations and a sharp drop in prices during the month of February.

In 1961 (through November), 1,395 new companies were formed and 190 were dissolved, compared with 1,275 formed and 129 dissolved for a like period of 1960.

The Venezuelan Central Bank's general price index (1956-57=100) for September 1961 was 110.34 as compared to 104.68 for September 1960.

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# U.S. Goods Welcomed In Ecuador

The United States in 1962 is expected to continue as Ecuador's principal trading partner.

Ecuador's stabilization program, which has called for tightened import restrictions, may result in some change in the composition of imports. The market, however, is not expected to change significantly in dollar volume or in opportunities for U.S. traders.

The character of these opportunities during the rest of 1962 will be affected by the desire of Ecuador to widen its industrial capacity in a manner appropriate to its economic potential, entry of Ecuador into the Latin American Free Trade Association (LAFTA), increasing competition from Europe and Japan, and earnings of Ecuador's export products.

Ecuador is a signatory to the LAFTA agreement, but has not yet negotiated tariff concessions with the other member countries.

### *Investment Climate Good*

The investment climate in the country is generally considered good. Foreign venture capital at present is somewhat hesitant because of the low international reserves resulting from depressed world market prices for the country's main exports.

The drastic exchange reform of July 1961 devalued the sucre and resulted in a certain amount of capital flight in addition to political tension. Nevertheless, foreign investment continues to be encouraged in Ecuador.

Money is needed at the private enterprise level, and opportunities exist for establishment of medium-size industry geared to the local domestic market.

Existing Ecuadorean industries are be-

coming aware of the necessity for modernization.

**Manufacture of American products in Ecuador under license agreements with U.S. companies offers possibilities.**

**Ecuador's import and export trade has been predominantly with the United States.**

In terms of value, the U.S. has accounted for about 50% of Ecuador's imports and over 55% of exports.

Although Ecuador's trade pattern has remained fairly constant, European, Japanese, and Latin American countries are gradually increasing their share of Ecuadorean trade.

U.S. exports to Ecuador in 1961 amounted to $48 million compared with $54 million in 1960. Ecuador's 1961 total exports reached $125 million, roughly 15% below the 1960 total of $147 million.

### *Domestic Industry Spurred*

The National Planning Board is giving considerable attention to stimulating domestic industry. Its plans, as they begin to operate, should free foreign exchange now used for finished goods and permit diversion to expenditures for capital goods and raw materials not produced in Ecuador.

Planning Board interest has been indicated in refrigerator assembly plants, glass- and bottle-making plants, and detergent and plastic industries. Establishment of assembly operation is a first step in further industrial development.

A few of the many products in which the U.S. share of the import market is low and could possibly be increased are alcoholic beverages, chemicals, plastic sheets and tubes, antibiotics, fertilizers, newsprint, kraft paper, iron and steel bars, aluminum in various shapes, railway equipment, and photographic equipment.

An official Japanese Trade Mission visited Ecuador in 1961 to develop trade and investment in Ecuador. Czechoslovak traders have also been active.

### *Favorable Trade Balance Contracts*

Of financial necessity, Ecuador must control her imports to fit available foreign exchange.

As a result of lower export figures, both in value and volume in 1961 and imports at about the usual level, Ecuador's favorable balance of trade contracted from $38 million for 1960 to about $20 million for 1961.

Exports of bananas, cocoa, and coffee—items which account for roughly 90% of Ecuador's foreign exchange earnings—were off from 1960 levels. As a result of the exchange shortage, the Government has undertaken to curtail imports and to promote exports; thus, imports are being slowed down by use of prior deposits, by higher duties on nonessential imports, and by prohibiting import of a number of items.

Ecuador has received World Bank loans totaling $46.6 million, an indication of the country's high international credit standing.

Under the Alliance for Progress, Ecuador has already received U.S. loans amounting to $35 million.

Domestic investments are lagging in Ecuador, as a result of insufficient money supply and lack of credit facilities.

If the import pattern of the last 5 years continues, and the United States can compete in price and terms, a fairly stable market can be held with a dollar value of between $45 and $55 million a year.

***Submits First Alliance Plan***

# Colombia Tightens Economic Belt; Gives Basic Investors Tax Help

The United States is by far Colombia's principal trading partner. In 1961 about 51% ($279 million) of Colombia's total imports came from the United States while roughly 60% ($258.5 million) of her exports went to the United States.

Moreover, direct U.S. investments were at a relatively high level and were estimated at $424 million at the close of 1960.

The general outlook for U.S. exports is mixed. Though some impetus may be given to exports later in the year as Colombia receives more development aid under the Alliance for Progress and from international lending agencies, it is doubtful whether U.S. exports to Colombia will rise much in the remainder of 1962. In fact, increased selling efforts will probably be needed to maintain the present level of exports.

The main reason for this gloomy outlook is Colombia's balance of trade deficit in 1961. The government has already taken steps to restrict monetary expansion, and more stringent import controls can be expected. Foreign competition also is whittling away at the U.S. share of the Colombian market.

Despite these negative factors, there are favorable prospects for imports of capital goods and semi-manufactures needed to promote Colombia's rapid industrial growth (estimated at 6% annually).

Strong demand should continue for such items as farm machinery, road building equipment, rolling stock for railroads and raw materials for plastics.

Other important imports are likely to be disinfectants and insecticides; sewing machines; chemical fertilizers; lubrication oils; wool (tops); newsprint; electric generating equipment; and internal combustion engines and spare parts.

Consumer goods exports have much less favorable prospects. Colombian policy aims at substituting local goods for imported, while prohibiting consumer goods imports altogether or maintaining licensing requirements for them.

The trend in selling consumer goods in Colombia appears to be toward establishment of operations in that country, financed either entirely with U.S. capital or by joint ventures with Colombians.

The current trade deficit is estimated at $105 million, resulting from imports of $539 million and exports of $434 million. The principal cause of the deficit is the increased importing of essential raw materials, semi-manufactures, and capital goods after mid-year 1961 as import controls were relaxed to satisfy heavy domestic demand.

However, this rise in imports, combined with accelerated repayments of foreign commercial debts, lower coffee export receipts, and some capital flight, exerted heavy pressure on Colombia's overall balance of payments, and the Colombian peso.

Gold and foreign exchange reserves declined from $153.4 million in December 1960 to $125 million in December 1961, and the value of the peso in the free exchange market dropped.

### *Inflationary Pressures*

At the same time, there were inflationary pressures throughout the economy as the money supply increased, principally because of central bank credits extended to the government and to the Coffee Federation, and because of the printing of additional notes.

As a result the means of payment expanded by 26.1% for the fiscal year ending December 31, 1961. Furthermore, the cost of living index rose to 749.3 (1940=100) in January 1962, compared with 703.2 in the same 1961 period.

To combat the inflationary pressures, measures were taken to raise the reserve requirements and lower the discount quotas of the commercial banks.

Colombia sought aid abroad to protect its balance of payments position.

On March 3, the Minister of Finance announced that $151 million in credits had been negotiated. U.S. commercial banks and the Federal Reserve agreed to refinance short term commercial debts;

the Agency for International Development (AID) extended a $30 million loan for 15 years; the Export-Import Bank agreed to refinance a pending debt of $16 million; and a drawing was made on the remaining $10 million available to Colombia under a $75 million stand-by agreement negotiated with the International Monetary Fund in 1960.

The first indication of a tightening of import controls came April 5, when higher prior import deposit requirements went into effect. Deposits ranging from 20 to 200% are now required for imports made until June 30, 1962; thereafter, these rates will drop in stages to a final range of 10 to 120% by September 1, 1962. The former range was 1 to 100%.

In view of these increased deposit requirements and the generally tighter credit conditions now prevailing in Colombia, it is advisable for exporters to offer flexible credit terms to facilitate importing and the purchase of capital goods required for industrial expansion.

### Good Investments

Colombia offers good opportunities for foreign investors, especially in the area of consumer goods and the basic industries.

Joint ventures are favored but not mandatory. Licensing and technical assistance agreements are also popular.

Generally friendly towards foreign investors, Colombia has no history of expropriation or confiscation.

The government recently passed legislation designed to stimulate foreign investment in basic industries by exempting firms from income taxes through the year 1969 if at least 60% of the total value of raw materials they use is of domestic origin. Such firms must be operating by 1965.

Industries regarded as basic include: mining and processing of coal, sulphur and asbestos; pulp production for paper; fertilizers, herbicides, or insecticides; wool tops, artificial fiber products; nonferrous metals products; machine and machine tool manufacture; production of slaughtering and refrigeration facilities, and warehousing and food processing facilities.

Furthermore, firms are exempted from income taxes when they use domestic iron and steel products for 50% of their finished products.

Another measure designed to promote domestic manufacturing is the new law regulating the assembly industry. Under this law, firms must adjust their assembling operations by stages, so that at the end of a period varying from 2 to 7 years their products will contain 80% or more of domestically produced components and parts.

These regulations affect a variety of items including automobiles, TV sets, radios, electrical accounting and statistical machines, typewriters, vacuum cleaners, heaters, and cash registers.

### Alliance for Progress

Colombia was the first country to submit a plan for social and economic development under the Alliance for Progress. Currently under study, Colombia's general plan for social and economic development calls for investments of over $10.4 billion (70 billion pesos) for the period 1961-1970.

The goal of the plan is an average annual rate of growth of 5.6% for the gross domestic product. However, the expected population increase over the 10-year period probably will reduce this growth rate to about 2.8%.

Foreign financing is indispensable for the realization of this plan.

Development loans received since mid-1961 include one from the International Bank for Reconstruction and Development (IBRD) and its affiliate, the International Development Association, for $39 million to be used for highway improvement and maintenance. IBRD also granted a $22 million loan for expansion of power generating facilities at Medellin.

Furthermore, $15.2 million was loaned by the Inter-American Development Bank for low cost housing and $2.45 million for sewage and $5.7 million for water systems in Cali and Cucuta.

The Colombian Government also hopes to obtain a number of other loans, including $44 million for the construction of power facilities at Bogota and $24 million for the Paz del Rio steel plant.

### Free Trade Group

Colombia joined the Latin American Free Trade Association in September 1961. In recently concluded trade negotiations with other LAFTA members, Colombia granted duty concessions on about 260 tariff items representing a value of roughly $80 million, about one-sixth of Colombia's total imports.

The principal items which Colombia expects to export to LAFTA include textiles, chemicals and petrochemical products. Exports of lumber, steel and cement may also be increased.

In 1961 coffee exports declined in value to 67% of Colombia's total export trade. World over-production, combined with certain laxities under the International Coffee Agreement, sent the price of coffee down to an average of 43.7 cents per pound in 1961 from 1960's 44.9 cents.

A Social Agrarian Reform bill was passed in November to provide for more efficient land use through colonization of uncultivated lands.

Colombians are also expecting great things from the Atlantic railroad, inaugurated in August 1961, which links the port of Buenaventura on the Pacific coast with Santa Marta on the Atlantic.

# Booming Brazil Battles Inflation

Brazilian economic growth continued at a rapid rate in 1961 despite a sharp increase in the rate of inflation and the political uncertainties that prevailed during part of the year.

Financial stabilization measures formulated by President Janio Quadros, who took office in January 1961, became only partially effective before his resignation in August.

A new stabilization program to control fiscal and credit policy was presented to Congress in March 1962 by President Joao Goulart, who took office in September 1961.

The population census of 1960 indicates a total of more than 70 million persons and an annual population growth-rate of 3.1 percent.

The rapidly expanding Brazilian market for consumer goods is supplied largely by domestic manufacturers protected by tariff and exchange controls.

Imports aside from wheat and fuels are limited generally to capital equipment, industrial raw materials, and highly specialized classifications.

As Brazilian industry has expanded, the composition of the trade has shown an increasing proportion of complex industrial materials and sophisticated capital equipment, and this trend is expected to continue.

### U.S. Chief Source

The U.S. is the principal foreign supplier of the Brazilian market, but U.S. exporters face increasingly aggressive competition from the countries of Western Europe and Japan.

Agreements looking toward increased trade with the Communist Bloc countries were signed during 1961, and increased imports from the Latin American Free Trade Area (LAFTA) may be anticipated.

Intensive selling efforts are required of U.S. exporters to meet the competition offered from the standpoint of price, quality, service, and terms.

The political crisis in August-Septem-

ber 1961 caused foreign investors to delay plans for new or expanded projects in Brazil. Investor confidence was further damaged in November when the Chamber of Deputies passed a bill severely restricting foreign investments. The bill was not acted upon by the Senate before adjournment, and a joint Congressional committee has been established to work out an acceptable draft for presentation to the Senate.

President Goulart and other officials have stressed Brazil's willingness to cooperate with foreign investors.

The Federal Government also has tried to settle the dispute caused when the Governor of Rio Grande do Sul expropriated a subsidiary of the International Telephone and Telegraph Company in February of this year. Such a settlement has been reported unofficially in the press.

The licensing of capital equipment imports representing foreign investments in Brazil declined sharply to $38 million in the first 11 months of 1961. This compares with $450 million in equipment licensed under the program since its initiation in 1955, including $107 million in 1960.

The complex multiple-rate exchange control system was radically changed in March 1961, and additional changes effected later in the year resulted in a virtually unified exchange system. However, Brazil moved away from uniformity of treatment in granting an exemption from the prior deposit, which is required for imports in general, for certain types of essential imports and imports from the LAFTA area.

Brazil in 1961 continued to be America's third largest market in Latin America and the second largest supplier to the U.S. Exports to Brazil in 1961 accounted for 14% of U.S. shipments to Latin America, compared with 12% in 1960. Imports from Brazil in 1961 accounted for 17% of U.S. purchases from the area, compared with 16% in 1960.

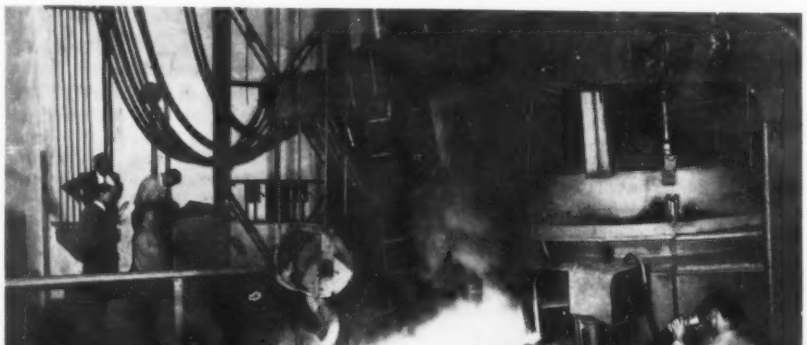
### *Grain Boosts Exports*

Although the total value of U.S. exports to Brazil rose from $430.2 million in 1960 to $486.1 million in 1961, the increase was the result of stepped-up shipments of surplus wheat under Public Law 480, and the value of other exports actually registered a slight decline.

Wheat exported to Brazil in 1961 was valued at $105.3 million, compared with $38.7 million in 1960.

Significant gains were reported in U.S. exports of copper, electrical machinery and apparatus, metal cutting machines, railway transportation equipment, chemical specialties and industrial chemicals.

Substantial decreases were recorded in lubricating oils, construction, excavating, mining, oil field, and related machinery, machine tools, office machines, tractors and parts and accessories, automotive equipment and fertilizers.



**IN BRAZIL: This mill typifies Brazil's growing steel industry.**

Decreased coffee prices caused a decline of $8.5 million in the total value of Brazilian imports into the U.S. to $561.7 million in 1961. Coffee imports ($398.6 million in 1960 and $368.8 in 1961) represented 70% and 66% of Brazil's end of the trade in the past two years.

U.S. imports of cocoa beans and iron ore also showed substantial decreases in 1961. However, significant increases occurred in imports of sugar, castor oil, crude petroleum, canned beef, lobsters, maganese ore, ethyl alcohol, and menthol.

### *Exports Up*

Preliminary Brazilian data indicate that the value of imports in 1960 and 1961 remained at an almost stable level, totaling about $1,460 million in each year. Exports, however, rose from $1,269 million in 1960 to $1,403 million in 1961.

The percentage of the trade represented by coffee continued to decline, accounting for 51% of the value of exports in 1961, compared with 56% in 1960. Cotton, sugar, iron ore, tobacco, meat, castor oil, and menthol exports increased.

The U.S. share of the Brazilian import trade was 35% in January-September 1961, compared with 30% in 1960. High wheat shipments to Brazil under Public Law 480 reduces the significance of the apparent rise, however.

Petroleum is the most important Brazilian import from other Latin American countries, representing 14% of total 1961 imports. Western Europe accounted for 33% of total imports, with West Germany the leading supplier (9%). Japan accounted for 6% of the trade and the countries of Eastern Europe for 5%.

The U.S. continued to be Brazil's principal export market, accounting for 41% of the total value in January-September 1961 compared with 44% in 1960. The Latin American countries took 9% of Brazil's exports in 1961, the countries of Western Europe accounted for 37%, those of Eastern Europe for 6%, and Japan for 4%.

As a member of the Latin American Free Trade Area (LAFTA), Brazil made customs and exchange concessions, which became effective on January 1, 1962, for imports from the other LAFTA countries.

The concessions cover a wide variety of raw materials and manufactured products, and will result in an intensified competitive situation in Brazil's import trade.

### *Seeks Bloc Trade*

Brazilian missions visited countries of the Communist Bloc during 1961 to promote trade and obtain credits from these countries.

Trade and payments agreements with Albania, Bulgaria, Rumania, Yugoslavia, Poland, Czechoslovakia, and the U.S.S.R. were initiated or extended, and an agreement for the exchange of products was signed with Communist China.

Following the reestablishment of diplomatic relations with the U.S.S.R., that country established a resident trade mission in Rio de Janeiro and a Soviet exposition of commerce and industry is scheduled to open in Rio on May 3.

The International Monetary Fund and the Export-Import Bank of Washington agreed separately in May 1961 to extend standby credits and reschedule existing debts in order to aid the Brazilian stabili-

zation program. Brazil has not yet drawn on all these credits.

A number of European countries also agreed to refinance existing debts and extend new credits. These arrangements caused a substantial improvement in Brazil's balance of payments and almost doubled her foreign exchange holdings. Monetary liabilities fell from $394 million to $226 million and gold reserves remained stable.

Alliance for Progress aid extended to Brazil in 1961 included $76 million under the Food for Peace program and $4 million under the Social Progress Trust Fund administered by the Inter-American Development Bank. Other Brazilian loans made by the IDB in 1961 totaled $31 million.

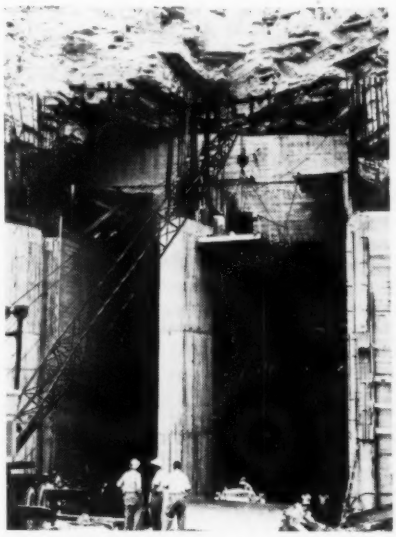
In April 1962 the Agency for International Development committed $131 million toward the first phase of a long-range development program for the Northeast area of Brazil (FCW, Apr. 23).

The Brazilian Government last July approved a plan of priority projects requiring external financial assistance, but the change of Government in August postponed the establishment of a commission to undertake longer-range planning.

An Alliance for Progress Emergency Committee was constituted in December to establish the order of priority for immediate projects eligible for such assistance.

### *Industrial Growth*

Estimated manufacturing output rose by 8% in 1961, while the volume of construction expanded by 10% and the production of electric power by 10%. Agricultural output showed a rise of 10% (only 6%, discounting coffee production).



**NEW POWER: Continuing efforts to increase South American power sources are typified by this diversion tunnel, part of a Brazilian hydroelectric project.**

The net national product is estimated to have shown a growth rate of 7% in 1961; again disregarding coffee, the rate of growth was 6%.

The rate of inflation sharply accelerated in 1961, with the wholesale price index showing an increase of 47%, against 30% in 1960. The legal minimum wage scale was increased by 40% in October 1961.

# Controls May Limit Chances For U.S. Exports to Chile

Chilean imports from the United States in 1961 reached a record $226.7 million, a 14% increase over 1960, and contributed to a substantial drop in foreign reserves.

A definite decline in imports from the U.S. is expected in 1962.

Recently imposed import regulations are restricting commodities traditionally supplied by American traders, and Chile's market for heavy equipment and some consumer durables have been invaded by foreign competitors, particularly West Germany and Japan.

Traders from both these countries have been granting more liberal credit terms to Chilean importers than have their U.S. counterparts.

Chile's 10-year economic program for development and reconstruction, however, is expected to stimulate trade and investment opportunities.

Favorable legislation by the Chilean Government removing discriminatory profits taxation in the iron mining sector, plus planned tax and tariff reform, indicate that Chile is determined to fulfill the plan.

Regarding specific investment and trade opportunities, it must be remembered that Chilean expansion and development policy is aimed at export diversification as well as self-sufficiency in certain sectors of the economy.

The National Development Program has stressed a further diversifying of agricultural and industrial exports and stepping up the traditional metal exports.

The reconstruction and development plan has opened investment and trade opportunities in housing and public works projects, the medium and small copper and iron mining industries, and in light manufacturing for consumer and industrial markets.

In the light manufacturing sector, Chilean enterprises have been seeking licensing or royalty arrangements for articles ranging from consumer luxury items to industrial supplies and equipment.

### *Seek Joint Ventures*

Chilean firms are looking for joint-venture arrangements in such areas as hotel construction and operation, beverage bottling, candy making, food canning, particle board and plywood fabrication, and manufacture of medicinals.

Chileans consider it of prime importance to use equipment which will permit low cost operation without the large capacities that most efficient, modern machinery offers. The Chilean domestic market will not yet consume most products in large quantities.

A good market exists for agricultural processing plants, forest products plants, pulp and paper plants, metalworking and machine shops, fish processing plants, small mining operations, small shipbuilding, textile plants, railroads and highways, and service operations such as auto repair shops, cleaning and pressing shops, laundries, florist shops, and supermarkets.

A U.S. Resources and Trade Development Mission visited Chile late in 1961 to acquire first hand knowledge of market potential and investment conditions (see FCW, Jan. 15).

The Mission concluded that future imports into Chile will be heavily concentrated in the following for the next decade: Industrial machinery, tools, spare parts and replacements, agricultural machinery and equipment, road transport equipment, construction equipment and tools, fishing fleet equipment, lumbering and sawmill equipment, refrigerating equipment for both storage and transport, engineering and technical services, and specialized contracting functions.

Foreign investment in the Chilean economy over the last 8 years has been predominantly in the metal mining sector (61%). This trend will probably continue, in view of the country's development goals.

However, substantial investment in textiles, chemicals, transport materials, and the basic metals industry have reflected increased foreign interest in the country's industrial potential.

### *Investment Law*

Chile's Foreign Investment Law encourages investment, but the recent import restrictions and exchange controls limit investment inducements to those

sectors of the economy the Government has deemed most essential for economic development.

Preferential tariffs and, in some cases, favorable tax treatment has been granted to draw foreign investment in these sectors.

As the leading industrial nation on the west coast of South America and the fourth most important in Latin America in terms of numbers employed and power utilized, Chile has traditionally provided encouragement to foreign and domestic investors.

A long history of democratic government has created a familiar business environment for U.S. business.

However, Chile's tariff system, complex exchange controls, and, in many cases, regressive tax requirements have tended to discourage foreign and domestic investment and impede trade.

The Government has also imposed quantitative controls, frequently resorted to by countries having fiscal and balance of payments problems.

Prevailing interest rates, though comparatively low for a developing country, have deterred both foreign and domestic investment. Chile's regressive 5% sales tax has tended to limit mass purchasing power, and, despite an antimonopoly law, domestic industry has received protection regardless of prices, operating efficiency or product quality.

Chile experienced a serious balance of payments problem in December 1961. The Government temporarily froze all foreign exchange transactions and halted imports pending a solution.

Chile obtained external financial assistance, imposed severe import regulations, reestablished the "advance deposit" system, and instituted 2 controlled foreign exchange markets.

Since March 1961, United States economic assistance under the Alliance for Progress program to implement the development and earthquake reconstruction programs has totaled more than $135 million. The United States Government also agreed to help finance the development plan over the next five years with another $350 million, of which $120 million is expected to be obligated during 1962.

### *Heavy Investment Planned*

Heavy investment is planned in the building, industry, transportation, power and fuel sectors. First priority goals are paved roads, electricity, industrial, mining and agricultural production. Total investment over the 10 years (1961-70), is estimated at 10.1 billion escudos, 26% of which must come from abroad.

Chile's imports from the United States centered largely in machinery, vehicles and foodstuffs. Although the value of U.S. goods received in 1961 rose by 14%, 78% of the increase was in additional purchases of grains and preparations, wheat and foodstuffs needed to supplement poor yields in the drought-stricken southern areas of the country.

The remaining import increases in rails, trackwork and track accessories, railway transportation equipment, industrial machinery and inedible vegetable and animal products were largely due to expansion projects instituted under Chile's Development Plan.

Chilean purchase of U.S. textile fibers and manufactures (particularly raw cotton), power generating equipment, synthetic fibers and manufactures declined due to foreign competition, while decreases in Chilean purchases of nonmetallic minerals, petroleum and petroleum products reflected Chile's increasing domestic output.

The U.S. remained Chile's best customer, purchasing about 37% of total exports. This represents a drop of 2% from 1960 as Chilean exports, consisting mainly of copper, iron ore and fertilizers, found supplemental markets in both Latin America and Europe.

Recent import regulations and exchange controls limit Chilean imports to "essential items" as set down on the "new" permitted import list. As they affect imports of merchandise, the new exchange controls specify that the "bankers' market rate" (1.053 escudos to $1) will be used to purchase exchange for payment of permitted imports and related invisibles but payment will not be provided until 90 days after date on bill of lading.

A prior cash deposit is also required in an amount equal to the additional surcharge applicable.

Imports not on the "permitted list" may enter Chile's "free ports" (Arica, Magallanes, Chiloe, Aysen) but are now subject to higher duties than previously required.

Payment for such "free port" imports must be made at the "brokers' market" (free) rate of exchange (1.42 escudos to $1 as of March 1962).

Chile dissolved all bilateral trade and payments agreements during 1961, but continues to extend most favored nation treatment as a participant in the General Agreements on Tariffs and Trade (GATT).

As a member of the Latin American Free Trade Association (LAFTA), Chile expects to find a Latin American export market for her manufactured goods in the future.

Although it is premature to forecast LAFTA's impact on the U.S. share of the Chilean import market, some adverse affect on Chile's U.S. purchases may materialize in the areas of foodstuffs and special small industrial equipment.

# *West Indian Exports Skyrocket; Stability Attracts Investors*

The Federation of the West Indies expanded its export trade with the United States by a whopping 46% in 1961, and most economists expect this spectacular trade growth to continue at least through 1962.

The United States exported a record total of $97 million in goods to the West Indies, but this amounted only to a 3% boost over our 1960 trade with the island federation, composed of Jamaica, Trinidad, Tobago, Barbados and the Windward and Leeward Islands.

Dollars were plentiful in the West Indies last year, largely due to increased U.S. purchases of petroleum products from Trinidad, bauxite from Jamaica and sugar from the entire Federation, plus U.S. tourist dollars which exceeded the value of U.S. exports to the area by over $100 million.

However, there were major declines totalling $3.8 million in U.S. exports of fodders, feeds, tractors and electrical and industrial machinery.

The gains were registered in U.S. exports of meats, grains and animal products.

The increased exports to Barbados were generally related to the completion of the Deep Water Harbor, which led to the abandonment of inefficient lightering services for dockside loading.

Rapidly expanding tourism in the Leeward and the Windward Islands accounts for increased U.S. exports to these areas.

U.S. exports to the West Indies in 1962 will face more selective demand, stiffer competition and greater Government control.

The West Indies Federation is expected to dissolve soon, with Jamaica and Trinidad already having elected to go it alone. Jamaican Independence Day is set for Aug. 6.

Government costs will probably cut into funds formerly channeled into development projects, slowing the growth rate which exceeded 10% for Jamaica in 1960.

Also, import licensing controls are likely to be expanded, as efforts are intensified to aid infant industries. Other islands' governments may imitate Jamaica's action of last year and enact internal credit controls to curb purchases of consumer imports.

Keener competition for the West Indies market is expected in the future. Japan, for instance, expanded its 1961 exports to

Trinidad and Jamaica by 10% in 1961.

European Common Market countries, led by West Germany and The Netherlands, have increased their share of the West Indies market and they are expected to continue to do so.

Liberal trade credits, as well as competitive products and aggressive salesmanship, account for their success.

Close attention to economic trends in the West Indies is the best means of anticipating future trade opportunities.

The area's exploding population, the added costs of independence, and the great need for development funds will play significant roles in determining the extent and nature of future West Indian import trade.

The islands' governments, with foreign assistance, will continue to emphasize low-cost housing programs, improve water, sewage and power systems, and encourage diversification and greater efficiency of the economy's agricultural sector. Further, government actions granting special status to infant firms can be expected to increase.

### Potential Markets

The problems confronting the West Indies suggest numerous export trade opportunities such as:

- Goods which can improve local production, handling, and packaging of bananas, citrus fruits, juices and concentrates, sugar beets and sugar cane, coffee, and tropical products equipment.
- Equipment, raw materials, and products used in conjunction with the garment, metal manufacturing and petroleum refinery industries in both Trinidad and Jamaica.
- Construction materials and equipment for tourist accommodations in the Leeward and the Windward Islands.

Investment opportunities are numerous in the same areas.

With domestic capital limited, governments of the West Indies territories all have passed legislation designed to attract foreign investors, especially in high labor input industries such as garment and metal manufactures.

The stability of the West Indies territories makes them good trading partners and good places for American investment.

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## Mexico . . .

(*Continued from page 729*)

travel earnings is essential.

The chronic need for improved standards of living will be met to some extent by the Government's continuing programs of education, welfare, health and employment, and by the Alliance for Progress.

The vast programs for irrigation and electrification, which now take prominence, as well as the government's agrarian, transportation and manufacturing programs, will require large amounts of domestic and foreign capital.

Mexico stresses the importance of agricultural development keeping pace with industrial development in the country's economic evolution, and the need for more domestic and foreign capital to participate in the country's development.

### U.S. Holds Lead

The United States maintained its top position in Mexico's foreign trade in 1961 and early 1962, and the outlook is for a continued high level of trade between the two countries.

However, the steady decline in the U.S. share of the Mexican market and the somewhat more accelerated rise in Mexico's share of the U.S. market have continued.

The hoped-for expansion in U.S. sales in 1962 will necessarily be in the realm of capital goods, essential raw and semi-finished materials, and components for industry and public development projects.

In these areas aggressive, competitive selling will be increasingly important as Western European and Japanese trade and investment interests in Mexico expand.

Special duty concessions granted to other members of the Latin American Free Trade Association (LAFTA), will make the Mexican market more competitive for U.S. products and it will be even harder to hold as the number of products traded by LAFTA increases.

As more "essential" industries are established in Mexico, however, and until other LAFTA members are in a position to supply and transport the type of capital goods required by Mexico's rapidly developing economy, U.S. exporters will be in the best position to supply Mexico's import needs.

U.S. statistics show that the values of American exports to and imports from Mexico in 1961 were, respectively, $796.6 million and $538.3 million.

U.S. trade figures for the last six months of 1961 show exports to Mexico as $411.5 million, and imports from Mexico as $241.3 million, indicating a stepping up of Mexican imports from the U.S. in the last half of 1961, and a slowdown in Mexican exports to the U.S. in the same period.

### Our Best Customer

Mexico was by far the best Latin American customer of the United States in 1961, receiving $286.8 million more in goods than the next most important customer, Venezuela.

Available Mexican trade statistics indicate that Mexico's imports from the U.S. in January 1962 represented 69.2% of its total imports, a decline of only 0.1% below December and of 0.7% below the 1961 monthly average.

Mexico's exports to the U.S. rose sharply in January and represented 64.4% of its total exports as compared to 60.2% in December, an increase of 4.2% over December and of 3.4% over the 1961 monthly average.

In the last half of 1961 the U.S. share of the Mexican market was 70.5% of the total, as compared with 69.3% in the first half of the year.

### Public Sector Emphasis

Increased imports resulted largely from purchases made by the Government and semi-official agencies for public works and other expansion programs. Of public sector imports, 96.8% were production goods (machinery, equipment, raw materials for industry, spare and repair parts, and fuel and power); only 3.2% were for consumer goods. More than 60% of the public sector imports were for Petroleos Mexicanos (39.3%) and the Federal Electricity Commission (22%).

General imports followed the same pattern, although undoubtedly production goods did not attain the very high percentage they did in the public sector imports.

Nevertheless, consumer goods imports continued to diminish, as domestic counterparts or substitutes took their place and as stricter import controls were enacted.

The larger exports to the United States, particularly in the first half of 1961, were accounted for by increased demand and better prices for Mexico's cotton, coffee, sugar, shrimp, petroleum, sulfur, zinc and henequen. These items were followed by cotton textiles and yarns, tobacco, ixtle and zacaton root, and essential oil of lemon.

### New Business

The establishment of new firms, foreign and domestic, and the expansion of old ones continues apace. However, domestic private investment in industry, and in other fields, is known to have declined substantially in 1961.

There appeared to be fewer large-scale foreign private investments in Mexico in 1961 than in the preceding year.

Prospective U.S. and other foreign investment will unquestionably be limited:

- To areas of manufacturing requiring large amounts of capital and advanced technical know-how, and which shall be determined by the Government;
- And by the requirement that it play a complementary role to Mexican investment and, in general, have minority control or capitalization (49% or less).

Mexico's attractiveness to both U.S. tourists and investors will depend upon a favorable climate, political as well as economic, in 1962.

# U. S. Trade Balance Improves As Exports Rise, Imports Dip

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The U.S. merchandise trade pattern in 1961 was highlighted by an increase of $455 million in exports (or 2.3%) and a decrease of $297 million in imports (or 2.0%) improving our trade balance by some $752 million.

The principal changes in 1961 export values occurred in U.S. trade with Japan (up $398 million), Italy (up $144 million), the United Kingdom (down $281 million), and India (down $158 million).

The practical disappearance of our exports to Cuba also helped prevent an even more favorable export picture.

The major changes in the import picture took place in our purchases from Canada (up $114 million), the United Kingdom (down $92 million), Japan (down $94 million), and Mexico (up $95 million).

### *Japan Trade Vital*

Although Japan is not our leading trading partner (she is second to Canada), the favorable net change of $493 million in U.S.-Japanese trade accounted for more than 65% of the worldwide U.S. gain in 1961.

### *Major Changes*

A large increase in exports of machinery and scrap metals accounted for most of our increased sales to Japan, but an increase in our imports of Japanese machinery could cancel out the effect of a marked decrease in textile imports.

The fall in our exports to Great Britain was centered mainly in the iron and steel and aircraft industries. A sharp cutback in American orders for British cars accounted for major part of the reduction in imports.

Larger grain exports accounted for most of the increased Italian purchases.

Greater imports of petroleum Canadian products more than offset reduced imports of uranium ore, while our exports of machinery to Canada slipped.

The composition and pattern of our foreign commodity trade are of particular interest.

The major changes in the commodity pattern of U.S. trade were large increases in grain and machinery exports, while exports of raw cotton, metals and manufactures, automobiles, and aircraft declined markedly.

The larger import increases were in meat and meat products, machinery, and aircraft. Purchases of foreign automobiles, ores and metals, coffee, and sugar fell off significantly.

U.S. nonmilitary exports to Western Europe rose about one percent to $6.9 billion in 1961. Commodity changes generally followed the world-wide trend of U.S. trade cited above.

The largest jumps were in exports to Italy, Spain, and Yugoslavia, due mainly to increased grain shipments.

Exports to the United Kingdom plunged 20% be-

U.S. Exports of Leading Commodities, by Area 1960 and 1961

(Millions of dollars)

| Commodity | Total | Western Europe[1] | Japan | Canada | 20 American Republics | Far East excl. Japan[2] | Near East and Africa[1] |
|---|---|---|---|---|---|---|---|
| Total excluding special category[3]: | | | | | | | |
| 1961 | 19,105 | 6,292 | 1,739 | 3,643 | 3,380 | 2,256 | 1,340 |
| 1960 | 18,892 | 6,318 | 1,341 | 3,699 | 3,478 | 2,299 | 1,247 |
| Agricultural exports: | | | | | | | |
| 1961 | 5,030 | 2,207 | 554 | 491 | 434 | 783 | 410 |
| 1960 | 4,832 | 2,083 | 485 | 432 | 432 | 894 | 318 |
| Cotton, unmanufactured: | | | | | | | |
| 1961 | 884 | 382 | 222 | 48 | 15 | 188 | 12 |
| 1960 | 988 | 479 | 217 | 45 | 15 | 202 | 13 |
| Oilseeds and inedible vegetable oils and fats: | | | | | | | |
| 1961 | 449 | 220 | 111 | 55 | 10 | 22 | 24 |
| 1960 | 486 | 271 | 107 | 49 | 11 | 24 | 22 |
| Grains and preparations: | | | | | | | |
| 1961 | 1,893 | 791 | 98 | 92 | 219 | 365 | 279 |
| 1960 | 1,655 | 543 | 71 | 55 | 175 | 496 | 203 |
| Other agricultural exports: | | | | | | | |
| 1961 | 1,804 | 814 | 123 | 296 | 190 | 208 | 95 |
| 1960 | 1,703 | 790 | 90 | 283 | 231 | 172 | 80 |
| Nonagricultural exports[3,4]: | | | | | | | |
| 1961 | 14,075 | 4,085 | 1,185 | 3,152 | 2,946 | 1,473 | 930 |
| 1960 | 14,060 | 4,235 | 856 | 3,267 | 3,046 | 1,405 | 929 |
| Machinery[4]: | | | | | | | |
| 1961 | 4,483 | 1,259 | 267 | 989 | 1,059 | 473 | 351 |
| 1960 | 4,121 | 981 | 182 | 1,055 | 1,019 | 474 | 324 |
| Automobiles, parts, and accessories[4]: | | | | | | | |
| 1961 | 1,118 | 132 | 8 | 358 | 390 | 110 | 111 |
| 1960 | 1,221 | 136 | 5 | 388 | 436 | 103 | 143 |
| Civilian aircraft[4]: | | | | | | | |
| 1961 | 351 | 138 | 24 | 69 | 50 | 47 | 22 |
| 1960 | 551 | 378 | 26 | 41 | 50 | 36 | 17 |
| Textile finished manufactures: | | | | | | | |
| 1961 | 466 | 94 | 1 | 127 | 88 | 83 | 46 |
| 1960 | 467 | 80 | 1 | 134 | 92 | 81 | 49 |
| Pulp, paper and products: | | | | | | | |
| 1961 | 453 | 179 | 33 | 78 | 84 | 50 | 23 |
| 1960 | 419 | 163 | 26 | 72 | 89 | 44 | 19 |
| Chemicals and related products[4]: | | | | | | | |
| 1961 | 1,709 | 574 | 153 | 285 | 379 | 203 | 84 |
| 1960 | 1,667 | 567 | 127 | 277 | 399 | 190 | 77 |
| Petroleum and products: | | | | | | | |
| 1961 | 445 | 122 | 82 | 46 | 74 | 62 | 34 |
| 1960 | 479 | 127 | 78 | 62 | 96 | 58 | 39 |
| Iron and steel-mill products: | | | | | | | |
| 1961 | 429 | 82 | 10 | 103 | 103 | 98 | 26 |
| 1960 | 611 | 184 | 15 | 133 | 142 | 84 | 32 |
| Nonferrous metals and ferroalloys: | | | | | | | |
| 1961 | 631 | 370 | 128 | 48 | 46 | 20 | 6 |
| 1960 | 719 | 512 | 98 | 40 | 40 | 25 | 3 |
| Metal manufactures: | | | | | | | |
| 1961 | 427 | 61 | 8 | 166 | 100 | 41 | 34 |
| 1960 | 423 | 52 | 7 | 178 | 107 | 37 | 27 |
| Other nonagricultural exports: | | | | | | | |
| 1961 | 3,563 | 1,074 | 471 | 883 | 573 | 277 | 193 |
| 1960 | 3,382 | 1,055 | 291 | 887 | 576 | 283 | 199 |

[1] Greece and Turkey included in Western Europe and excluded from Near East and Africa. [2] Includes Oceania. [3] Includes total reexports. [4] Excludes "special category" exports.

cause of smaller shipments of iron and steel products and an almost total stoppage of airplane deliveries.

A tepid growth rate and liquidation of inventories curtailed U.S. exports to Britain.

Aircraft sales, extremely high in 1960 when jet planes against prior orders were delivered in large numbers, fell back to a negligible amount last year. Shipments of steel, unusually high in 1960, fell sharply last year when British sheet-steel capacity expanded and automotive output dropped.

Aluminum shipments also retreated from their 1960 high level as shipments resulting from the integration of U.S. and British aluminum companies were completed.

Poor crops in Italy, Spain, and Yugoslavia brought about the increased wheat shipments, which were largely financed by U.S. Government funds.

Inventory adjustments resulted in lower sales to all members of the European Economic Community except Italy.

Continued economic expansion in modernizing and increasing their industrial base led to increased U.S. machinery sales to almost every country, including the United Kingdom.

### *Imports Dip*

U.S. purchases from Western Europe were $4.1 billion in 1961, about 3% smaller than in the preceding year. British shipments declined 9% to $901 million and West Germany's sales fell 5% to $856 million.

A spurt of 10% in French imports (up to $435 million) was the only major bright spot for European exporters to the U.S.

Automobile deliveries from Western Europe fell 40% in 1961, reflecting the sizable shift in U.S. demand to domestic "compacts" and the reduction of foreign car stocks in the hands of U.S. dealers. Britain led the way in this area too, as cars imported from the United Kingdom dropped from $198 million in 1960 to $60 million last year.

French models also dropped drastically, falling by nearly three-fifths to $32 million. German auto imports were reduced only 14%, however, to $240 million.

Imports of steel and other metals, mainly from the United Kingdom and EEC members, declined for the second consecutive year. After hitting high levels during the U.S. steel strike in 1959 and early 1960, imports from Western Europe declined until they picked up again in early 1961.

Import gains from Western Europe in 1961 were generally confined to aircraft and machinery. Deliveries of the new French jet passenger plane, the Caravelle, began last year, and shipments of the British Argosy jet were large.

Increased imports of electrical, office, and industrial machinery came from West Germany, Italy, and the United Kingdom, reflecting their increased ability to compete effectively in these areas.

### *Trade with Japan*

In 1961 Japan displaced the United Kingdom as our second leading foreign market and received nearly 10% of our exports. U.S. sales comprised more than one-third of Japan's purchases of foreign goods.

Sales to Japan rose 30% to $1.7 billion during the year, following an increase of 39% from 1959 to 1960. The rise in U.S. shipments to Japan, especially of industrial materials, was stimulated by her rapid economic expansion in the past two years.

U.S. exports to Japan in 1961 showed their greatest gain in steel scrap for Japan's expanding steel production. Scrap exports more than doubled in value, rising to $237 million.

Shipments of copper scrap, refined copper, aluminum, steel-mill products, and chemicals rose more moderately last year.

### *Machinery Booms*

Machinery exports to Japan shot up 47% to $267 million in 1961, with increases predominantly in metalworking machines, specialized industrial machinery, electronic computers and other office machinery.

Corn shipments to supplement Japan's short crop tripled to $33 million in 1961.

Japan also ranked second to Canada as a supplier of our import needs in 1961, contributing 8% of total U.S. imports. Our purchases represented one-fourth of Japanese total sales, although they declined 8% from their 1960 peak.

In the second half of the year imports from Japan rebounded, after a sluggish first half which caused the overall decline.

The drop was spread over both industrial materials and consumer goods.

Textile imports fell 16% to $204 million as imports of clothing and silk fabrics were reduced.

Purchases of metals, lumber, rubber footwear, and earthenware also declined.

Imports of transistor radios, on the other hand, rose 24% and electrical apparatus and office machinery also increased by smaller percentages.

### *Trade with Canada*

Nineteen percent of U.S. nonmilitary exports went to Canada in 1961. U.S. goods represented about two-thirds of Canada's total foreign purchases, and the Canadians are easily our best customers.

*(Continued on page 785)*

U. S. Exports, Including Reexports, by Geographic Area
(Millions of dollars)

| Area | Semiannually 1960 Jan.-June | Semiannually 1960 July-Dec. | Semiannually 1961 Jan.-June | Semiannually 1961 July-Dec. | Annually 1960 | Annually 1961 | Change from 1960 to 1961 |
|---|---|---|---|---|---|---|---|
| Total exports | 10,269 | 10,289 | 10,403 | 10,471 | 20,558 | 20,874 | +316 |
| Nonmilitary exports | 9,687 | 9,922 | 9,998 | 10,066 | 19,609 | 20,064 | +455 |
| Industrial areas: | | | | | | | |
| Western Europe[1] | 3,247 | 3,528 | 3,409 | 3,464 | 6,776 | 6,873 | + 97 |
| Canada | 1,992 | 1,818 | 1,878 | 1,897 | 3,810 | 3,774 | − 36 |
| Japan[2] | 646 | 695 | 899 | 840 | 1,341 | 1,739 | +398 |
| Other areas: | | | | | | | |
| American Republics, excluding Cuba[2] | 1,609 | 1,645 | 1,617 | 1,749 | 3,254 | 3,366 | +112 |
| Far East, excluding Japan[2] | 1,129 | 1,170 | 1,148 | 1,108 | 2,299 | 2,256 | − 43 |
| Near East and Africa[2] | 618 | 629 | 656 | 684 | 1,247 | 1,340 | + 93 |
| Soviet bloc in Europe[2] | 91 | 103 | 102 | 32 | 194 | 133 | − 61 |

[1] Nonmilitary exports.
[2] Excluding "special category" items.

# West Germany Healthy Despite Slowed Growth

West Germany should continue to offer good marketing opportunities for energetic U.S. exporters in 1962 despite a total import demand slow down and a more modest rate of economic growth.

Gross national product should increase by about 4% this year—less than in either of the last 2 years.

Consumer demand, which became more pronounced in the last half of 1961, is expected to continue strong.

Substantial wage increases gained in 1961 undoubtedly will bolster consumer purchasing and the trend toward higher wages is expected to be maintained in the coming months.

Foreign procurement on Government account is likely to remain substantial and offer good sales opportunities to American suppliers.

Public road and construction activity on the Federal and Laender level is due to increase markedly in 1962, strengthening sales of construction, excavation and road building equipment.

Poor crops in 1961 will probably result in an increased demand for imported farm products.

### *Some Investment Down*

Industrial investment declined in 1961 and is expected to remain sluggish in the year ahead.

On the other hand, investment in automation and general production rationalization equipment should remain substantial.

Import liberalization is now virtually complete on all non-agricultural products. Thus U.S. exporters are free to sell to a virtually unrestricted market.

Throughout 1961 German manufacturers, retailers and consumers continued to patronize products of practically every major industry in the United States. Alert and purposeful merchandising efforts on the part of U.S. exporters promise profits in the following consumer goods lines:

Canned fruits, juices and vegetables; canned poultry and seafoods; frozen fruits, vegetables, poultry and seafoods; pre-teenage and teenage sport clothing and apparel; better children's clothing; men's sport clothes and casual wear; women's wearing apparel, housecoats and nightgowns; farm and garden machinery and equipment; power lawnmowers; electrical kitchen appliances and equipment; small lightweight boats; and camping and water sports equipment.

The cautious inventory and investment policy of German industry is expected to limit the growth rate in nonconsumer imports.

However, buyers can still be expected in many lines, including:

Synthetic and artificial fibers and fabrics; lumber, plywood and veneers; construction machinery, excavators, tractors, and road building machinery; material handling machinery and equipment; food processing and beverage industry machinery and equipment; textile machinery and industrial sewing machines; builders and furniture hardware; metalworking machinery and equipment; essential oils for industry and food products; naval stores; plastics; pharmaceutical raw materials; computing machinery; automatic numerical control and measuring instruments and equipment.

### *Crop Failure*

Although a number of agricultural products are still subject to import restrictions, significant exceptions exist on which U.S. exporters may capitalize. The poor 1961 grain crop should give U.S. suppliers increased marketing opportunities at least into the third quarter of 1962. Non-restricted products include:

Oil seeds, vegetable oils (other than refined edible oil), inedible tallow and greases, cotton, tobacco, poultry, cattle hides, rice, oil cake and meals and various forage seeds.

Even in the area of nonliberalized agricultural products, the German authorities periodically establish import quotas open to U.S. suppliers as well as other foreign exporters.

German imports from the United States totaled approximately $1.5 billion in 1961, a new record. The U.S. supplied 14% of Germany's total imports, as it had in 1960, thus retaining its leading position as foreign supplier to the German market.

The value of Germany's imports from the U.S. increased by only 9% compared to nearly 33⅓% in 1960.

German exports to the U.S. totaled $859 million for the year, a 3% decline from 1960. Germany supplied approximately 6% of total U.S. imports in 1961.

The balance of trade for the year was $656 million in favor of the U.S., compared with a favorable balance of $536 million in 1960.

The commodity breakdown of German imports from the U.S. showed a drop in many raw materials and semi-finished products, including coal, basic chemicals, nonferrous metals and industrial fats and oils.

The cautious inventory policy of many German producers undoubtedly contributed to this decline.

Imports of cotton, which had been stimulated by reduced U.S. export prices in early 1960, also were comparatively weak in 1961.

Various types of U.S. machinery sold especially well in the Federal Republic. Foremost among them were office machines, textile, leather and food processing machines, agricultural machinery, pumps and high pressure equipment.

U.S. exporters of electrical equipment and motor vehicles also continued to find Germany a good market in 1961.

U.S. trade promotion activities in Germany in the year past were intense and purposeful. Trade Information Centers staffed by U.S. Embassy and Consular personnel were maintained at the Hannover Trade Fair, the Frankfurt International Fair, the Berlin Industries Fair and specialized industry fairs operated in Cologne, Dusseldorf, Munich and other German cities.

Through these centers trade proposals received by the U.S. Consulates General in Germany from the Department of Commerce and directly from U.S. firms were passed on to interested German businessmen.

### *Tariffs Changed*

Several factors are likely to affect U.S. exports to West Germany in the coming months.

In line with its Common Market obligations, the Federal Republic last Jan. 1 took another step toward adjusting its tariffs on imports of industrial products from non-EEC countries to the ultimate common external tariff.

These changes, amounting to roughly 0.5 to 2 percentage points, generally meant higher duty rates on non-EEC imports.

At the same time, German tariffs on imports of industrial products from EEC members were reduced by another 10% to a level 40% below that of January 1957.

These two factors will affect future sales in Germany, since EEC suppliers will enjoy a substantial duty preference.

Gross national product increased by about 5% in 1961 as compared to nearly 9% the year before. The slowdown was largely attributable to manpower shortages.

However, as the year progressed a letup in demand also retarded economic expansion.

West German exports totaled $12.69 billion in 1961, exceeding 1960 by 11.1%, in terms of dollars and by 6.4% in terms of Deutschmarks. Exports had expanded by 16% in 1960.

The value of West German imports,

which had grown faster than exports during the two preceding years, expanded only modestly in 1961 due to the retarding influences noted above.

### Record Surplus

West Germany had a net export surplus of $1.7 billion in 1961, compared to $1.2 billion in 1960. The basic German balance of payments, excluding short term capital movement and special nonrecurrent transactions, showed an estimated surplus of $800 million in 1961.

Advance repayment of postwar economic assistance debts and other short term factors caused official gold and foreign exchange reserves to decline by almost $500 million during the year.

The long-term trend toward sizable West German trade surpluses is likely to persist, however.

# Business Awaits Impact Of Italy's Drift Left

Formation of the new "center-left" Government of Premier Amintore Fanfani—the most significant development in Italy in the last few months—has raised some eyebrows in the Italian business community; but it is still too early to say what the impact will be on the economy.

- Government spending on new schools, hospitals, depressed areas, vocational training, and welfare services is expected to go up.
- Taxes will probably be hiked and collections will be tightened.
- Nationalization of electric power reportedly will be explored in detail.

**But with U.S. exporters carving out a 16.6% share of the market in 1961, up from 14% the year before, the immediate short run impact of the political scene does not appear unduly worrisome.**

Imports from the United States last year, paced by heavy purchases of wheat and industrial machinery, rose sharply, making Italy our third best market in Europe and fifth in the world.

**Sales prospects are bright for 1962.**

### Industrial Production Brisk

Italian industrial plants in the first half of 1962 are expected to hold their brisk production pace of the last 1961 quarter, spurred by top sales results at home and abroad.

The January industrial production index hit 213.7, up 2.6% over December, and 14% over January a year ago.

Consumer demand should hold its upswing, backed by steadily rising wages and expanding factory employment.

**These favorable developments spell top prospects for our traders and investors.**

Italian foreign trade again set new records in 1961. Exports, surging strongly at yearend, hit $4.2 billion, a 15% gain over 1960, while imports of 5.2 billion registered a gain of 10%.

Export expansion was primarily in industrial products: Sales were up 21% in machinery, 25% in chemicals, 16% in textiles, and 22% in clothing.

Increased purchases were registered in nearly all commodity groups. Outstanding gains over 1960 were: Agricultural products, up more than 24%; nonmetallic minerals, up 5%; products for the metallurgical industry, up 19%; machinery and apparatus, up 40%; transport equipment, up 36%.

As in preceding years, the Common Market countries increased their share of overall Italian trade. Italian imports in 1961 from the Common Market were up more than 17%, as exports rose 22%.

West Germany continued as Italy's number one export market, and second only to the U.S. as a source of Italian imports.

U.S. exports to Italy in 1961 jumped 22% over 1960 to $798 million mainly on heavy sales of wheat, corn, industrial machinery, and iron and steel scrap.

Shipments of raw cotton, tallow and coal were down from 1960 levels.

Export sales prospects are bright for the first half of 1962, but for the year may not exceed 1961 totals because Italy's good crop position will probably diminish the need for heavy grain purchases.

Booming Italian industry, however, will require heavy supplies of raw materials, machinery, and equipment.

The impact of the Common Market tariff reductions has been a major factor in Italian industry's drive to make itself competitive.

**Investment programs calling for expansion and modernization of existing plant, combined with increasing shortages of many labor skills, should continue to make for attractive sales opportunities in the industrial machinery field.**

U.S. sales of metalworking machine tools, air-conditioning and refrigerating equipment, electronic equipment, and office machinery of all types registered good gains in 1961 on the Italian market.

### Tourism Picks up

Tourism is picking up rapidly, as is usual after Easter, and all signs point to another fabulous year.

Many observers felt that the 18 million visitors in 1960, sparked by the Olympic Games in Rome, was about the limit; but around 19 million tourists flocked to Italy last year.

Tourism means foreign exchange and net gains in 1961 reached $740 million, thus considerably offsetting the billion-dollar trade gap.

With rapidly growing purchasing power, the Italian consumer has more money to spend than ever before. The number of retail food stores has increased 8.5% between 1956 and 1960, but non-

**IN ITALY: Heavy machinery is produced in this modern plant.**

food retail stores show a striking 25% gain in the same period. Supermarkets are springing up all over the country.

U.S. electric household appliances, adapted to Italian needs, should find Italy an interesting market. Probably the best sales potential is in the low-price field.

Foreign capital continues to move into Italy. January figures show a total of over $15 million flowing into the country.

At the close of 1961, an estimated 350 to 400 U.S. firms had substantial direct capital investments in Italy.

Northern Italy continues to retain its role as leading area for foreign investment, but more and more capital is moving into the central and southern portion of the country.

This trend is expected to continue under Italy's program for encouraging investment in the southern and island areas and through attractive tax, credit, and other incentives. The greater availability of labor in these regions, as opposed to the north, is another factor influencing the location decisions of many industrial firms.

Another fairly recent development is the pickup in interest in Sardinia as an area for investment in tourism facilities. The northeast coast of this little publicized island, has become the site for several large-scale development schemes.

***Market Needs Must Be Met***

# Netherlands To Offer Good Market For Consumer Goods, Appliances

Further expansion of Netherlands foreign trade is expected this year.

U.S. exports to that country should remain high, but increasing competition from the Netherlands Common Market partners is anticipated.

The Netherlands economy remains very strong, although future gains in industrial production are likely to be limited by intensification of the labor shortage.

Full employment, rising wage levels, and a stable cost of living have resulted in increased consumer purchasing power.

**Segments of the Dutch market offering the best opportunities for increasing sales in 1962 appear to be consumer goods, machinery and appliances, and chemicals and allied products.**

Consumer goods especially in demand are: Clothing specialties of cotton and synthetic fibers, cosmetic and toilet preparations, fancy paper products, and sports equipment, especially for bowling and camping.

In the machinery and appliance group demand appears strong for electrical household appliances, laboratory and testing instruments, accounting and computing machines, machine tools, electric tools, and packaging machinery.

Among the chemicals and allied products for which prospects look brightest are various plastics, in semimanufactured and bulk forms, and industrial chemicals. Plastic fabrics and synthetic plastic fabric for the clothing industry, especially for rainwear, and fibers are in strong demand by the Dutch clothing industry.

Among food products, export opportunities are promising for frozen foods, poultry, honey, and fruits.

To obtain a share in the Netherlands market, U.S. exporters, in addition to pricing products competitively, must meet the special needs of the Netherlands market, particularly in consumer goods. These needs include product adaptation, such as modifying electrical equipment to local current requirements. Also, promotional material and advertising should be tailored specifically to the Dutch market. Packaging should not carry the U.S. retail price.

Total Dutch imports rose to $5,148 million (18,651 million guilders) in 1961, up 8% from 1960, while exports increased only 3% to $4,337 million (15,713 million guilders).

The Netherlands Common Market partners were the principal beneficiaries of the increase in imports.

The U.S. maintained its position as the third largest factor in the Dutch import picture, behind West Germany and Belgium-Luxembourg.

### *Trade With U.S. Drops Slightly*

U.S. trade with the Netherlands declined slightly during the 11 months of 1961 over a year ago, according to U.S. statistics.

Exports of U.S. goods were down 1.5% to $627 million, while U.S. imports from the Netherlands of $194.3 million remained practically the same as in the 1960 period.

Among U.S. exports to the Netherlands, coal tar products showed the greatest improvement, rising 38% to $23.8 million, followed by electrical apparatus and electric motors, which increased significantly by 36% to $17.1 million.

Other products for which gains were registered include industrial machinery and grains and preparations.

The greatest loss registered was in U.S. exports of aircraft and aircraft parts and accessories, which dropped 49% to $26.7 million. This loss resulted from the decrease in deliveries of jet transports, which were exceptionally high in 1960 when KLM carried out most of its conversion to jets.

On the whole, U.S. exports to the Netherlands held up well in 1961, considering the increases in the Benelux duty rates resulting from upward adjustments to the level of the EEC common external tariff.

Among U.S. imports from the Netherlands in 1961, principal commodities in order of value were tinned meat, electrical machinery and apparatus, industrial machinery, precious and semiprecious stones, cocoa, coffee, tea, iron, fertilizer and fertilizer materials, steel mill products, coal-tar products, and industrial chemicals.

The greatest gain appeared in fertilizer and fertilizer materials, with a 100% increase from $3.5 million to $6.9 million.

Losses occurred in steel-mill products, and nursery and greenhouse stock.

Opportunities still exist for new U.S. industrial investments in the Netherlands, but they are confined almost exclusively to the northern and eastern provinces which have not yet experienced the acute labor shortages of the heavily industrialized areas.

The total number of foreign subsidaries and participations, including those of U.S. origin, in 1961 increased from 354 to 438. It is estimated that these entities have annual sales aggregating $496.8 million (1.8 billion guilders) or 5% of the total sales of all industry in the Netherlands.

The financial sector of the Netherlands economy continued to be characterized by a condition of high liquidity and stable interest rates.

The money supply increased 6.4% to $3,351 million (12,142 million guilders) in the first 11 months of the year. Except for two shortlived periods, liquidity was basically in excess of requirements.

### *Steps Taken To Reduce Liquidity*

The Government resorted to a variety of measures to reduce excess liquidity: Floating of Government bond issues, opening of the Dutch capital market to foreign issues, raising the cash reserve ratio requirements for commercial banks, and postponement of a projected income tax reduction.

The Netherlands Bank implemented its plan to limit credit expansion to 15% beyond the total credit outstanding at the end of 1960.

Commercial banks were required to make interest-free cash deposits with the Netherlands Bank equal to the amount of credit in excess of the 15% limitation.

Repatriation of short-term credit

abroad and the tendency to repatriate investments in currencies showing signs of weakness offset the effects of the Government's actions to relieve the excess liquidity.

Gold and foreign exchange reserves at the end of December 1961 totaled $1,674 million (6,066 million guilders), $33.4 million (121 million guilders) lower than a year earlier.

The wholesale price index fluctuated within a narrow margin, dropping but one point from the 1960 average of 139 (1948=100). The cost-of-living index rose 4 points to 130 (1951=100).

Wages showed a rising trend in the wake of the labor shortage. To alleviate the shortage, steps were taken to import more foreign workers and to facilitate more employment of married women by a tax incentive—providing for a personal income tax deduction for such women.

As few labor contracts were subject to renewal in 1961, activities of the trade unions turned from the issue of wages to the issue of hours. Agreements were reached in most industries to lower the work week from 48 to 45 hours on a 5-day basis.

The Government required industry to absorb the resulting increased labor costs in order to hold down the general level of prices within the country.

A number of collective bargaining agreements will expire in the first 6 months of 1962, and labor's advantageous bargaining position has encouraged the unions to seek new gains.

The Labor Foundation, a joint labor-management group that advises the Government on wage matters, has recommended that wage raises in 1962 be tied to both productivity gains experienced by individual negotiating industries and average productivity gain realized by the economy as a whole.

In another wage development, the Government directed that all wage contracts negotiated in the future provide women's wages that are at least 85% of wages for men engaged in comparable work.

This action was taken to bring the Netherlands closer to compliance with the Rome Treaty provision requiring eventual equalization of pay scales for men and women.

# Swedish Economy Slackens; U.S. To Find Competition

**The Swedish economy started to level off at the end of 1961 and the Swedish Business Cycle Institute forecast that the gross national product would rise by only 3.5% in volume in 1962.**

**This compares with a 4.5% rise in 1961.**

The slackening of economic activity in Western Europe was given as the principal reason for this slowdown.

Industrial investment planned for 1962 totals $868 million (4.5 billion crowns), 8% less than in 1961.

Largest drop in planned investments is in the expenditure of funds for industrial buildings.

Investment planned for machinery and equipment is estimated at $444 million (2.3 billion crowns) or 3% less than in 1961.

**U.S. exporters will find Sweden an increasingly competitive market, especially now that members of the European Free Trade Association (EFTA) enjoy a 40% tariff advantage on dutiable industrial products in Sweden.**

EFTA countries are Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. Finland is an associate member.

The U.S. retained its position as Sweden's third most important supplier in 1961, ranking behind West Germany and the United Kingdom. As an export market, the U.S. was sixth in importance in 1961.

The United States supplied 11.4% of total Swedish imports in 1961 as compared with 12.2% in 1960.

U.S. statistics show exports to Sweden totaled $259 million in 1961, compared with $300 million in 1960.

Imports into the United States from Sweden in 1961 were valued at $141 million, compared with $170 million in 1960.

Decline in the value of U.S. exports to Sweden last year was due chiefly to the purchase of expensive jet airplanes in 1960—a purchase which did not recur in 1961.

Another reason for the decline was a drop in the exports of bulk commodities such as grain, lubricating oil, metallic ores, scrap metal, and iron and steel.

On the other hand, Swedish statistics showed American tobacco and tobacco products, coal, textile fibers, certain cotton fabrics, passenger automobiles, machinery and apparatus were received in greater value from the U.S. in 1961 than in 1960.

The drop in U.S. imports from Sweden was due largely to lower values recorded for woodpulp and automobiles.

### *Free Entry for Manufactures*

U.S.-manufactured goods entered Sweden freely in 1961.

Certain agricultural products are still subject to import license controls and some agricultural products, such as apples and pears, remain subject to seasonal restrictions.

Imports of a few farm products, especially meat and poultry, are governed by strict sanitary regulations, while certain safety and quality standards govern imports of goods such as power mowers, electrical products, pharmaceuticals, and shoes.

In general, Sweden offers American exporters an attractive but highly com-

**IN SWEDEN: Automobiles are made on this assembly line.**

petitive market for a wide range of goods.

**A current development which appears to offer an opportunity for specialized U.S. exporters is the program of some 40 Swedish communities to build indoor recreation centers during 1961-66.**

Each center is expected to involve an expenditure of $965,000 (5 million crowns), with the total expenditure approaching an estimated $38.6 million (200 million crowns).

The National Swedish Recreation Center Committee, which is spearheading this development, is looking for indoor sport and recreation equipment for these centers.

U.S. investments in Sweden have shown a slow growth, although the Swedish Government has taken no positive steps to encourage foreign investments.

These investments totaled $116 million in 1960, according to the latest available U.S. data, as compared with $58 million in 1950.

# Switzerland Tariff Changes To Benefit U.S. Exporter

Switzerland should continue to be a ready market for U.S. products in 1962 because of its booming economy, liberal foreign trade policy, and low tariffs, and continuing heavy internal demand.

Chances to increase U.S. sales to Switzerland will be further enhanced by tariff negotiations recently concluded at the General Agreement on Tariffs and Trade at Geneva.

The resulting tariff changes which will soon be in effect provide for duty reductions on several items of mutual trade interest.

**Since the majority of Swiss industries are now working at full capacity, with large backlogs of orders to fill, the increase in trade expected to result from tariff reductions should be favorable, at least initially to U.S. traders.**

A critical labor shortage, coupled with a movement to modernize industries, makes prospects particularly good for the sale of all types of automated equipment.

There are increasing purchases of such labor saving devices as accounting and calculating machines (including electronic computers); lifting, handling, loading and unloading equipment, and conveyors; and electrical equipment for making, breaking, and protecting electrical circuits, as well as electronic control devices.

The number of self-service food stores continues to increase, and there are signs such stores may branch out into the sale of other consumer products. Increasing use in made of vending machines for the sale not only of food items but also of assorted consumer goods such as stockings.

The national highway network construction program presents an excellent opportunity for the sale of road-building equipment, Since the U.S. has been a principal supplier of such equipment, that opportunity should be actively exploited.

While U.S. equipment enjoys an excellent reputation in Switzerland, the American trader should vigorously promote his products on the Swiss market to compete successfully with Switzerland's European trading partners.

Sales literature, operating and service instructions, and markings should be in German, French, or both.

Equipment should be adaptable to Swiss standards and supported by adequate service and replacement parts.

The bright economic outlook was somewhat tempered by the growing labor shortage which pushed wages up and may limit future expansion.

Another unfavorable element was the upward trend of prices. To counter this, various Swiss industries have agreed to freeze prices of their products.

Switzerland formally applied for associate membership in the Common Market at the end of 1961; its application will probably be considered in the near future.

The 1961 U.S.-Swiss trade balance was favorable for the United States.

The value of U.S. exports to Switzerland exceeded the imports from that country by $89 million; the U.S. trade balance surplus in 1960 was $67 million.

The unparalleled degree of prosperity Switzerland enjoyed in 1960 continued unabated in 1961 and into the opening months of 1962.

Both foreign sales and purchases in 1961 reached record levels.

Harvests, although below the bumper yield of 1960, were very satisfactory. In spite of a high deficit in current account payments, foreign exchange and gold reserves equivalent to $2.3 billion in December 1960 rose to $2.8 billion at the end of 1961 because of the important inflow of capital.

In 1961 both exports and imports exceeded all values previously recorded.

Exports registered an increase of $161 million from $1,891 million (f.o.b Swiss border) in 1960 to $2,052 million in 1961.

Imports increased $464 million from $2,244 million (c.i.f. Swiss border) in 1960 to $2,708 million in 1961.

The trade deficit nearly doubled, from $353 million in 1960 to $656 million in 1961.

West Germany remained Switzerland's chief supplier and best customer. It supplied almost one-third of total Swiss imports and absorbed one-sixth of global exports.

### *U.S.-Swiss Trade High*

The U.S. continued to be Switzerland's principal overseas trading partner.

According to Swiss statistics, the c.i.f. value of imports from the United States rose from $255 million in 1960 to $279 million in 1961.

The U.S. was Switzerland's fourth supplier in 1961 with a 10.3% share of the Swiss import market. The value of goods purchased by the U.S. was $190 million, compared with $188 million in 1960.

U.S. preliminary statistics for exports to Switzerland in 1961 show increases principally in the following categories over 1960:

1. Mechanical and electrical machinery (excluding aircraft and vehicles), up 45% to $53.6 million.
2. Chemicals, up 20% to a total of $26.9 million.
3. Grain, up one and a half times from last year to $14.9 million.
4. Leather, up 51% to $4.6 million.

In addition, U.S. tobacco, metal manufactures, and photographic equipment shipments rose over 30%.

### *Aircraft Imports Down*

As a result of heavy deliveries of U.S. jet aircraft in 1960 required for reequipment of the Swiss airline Swissair, deliveries of aircraft to Switzerland declined sharply from $18 million to $11 million.

Swiss purchases of U.S. steel mill products, which were exceptionally heavy in 1960, dropped to $3.7 million from $13 million.

After having increased two-fold in 1960 over 1959, exports of motor vehicles went down slightly in 1961 to $10 million.

Cotton sales declined slightly from the record established in 1960; however, they reached $14.8 million.

Shipments of poultry were down 10% to $6.6 million. Since the Swiss are actively promoting domestic poultry production, future U.S. poultry sales may not reach the 1960 record level again.

Imports from Switzerland totaled $191.4 million—$4.7 million less than those of the same period of 1960. U.S. purchases increased in only a few categories.

Highest increases were registered for imports of coal-tar products and scientific

instruments. Imports of machinery, iron and steel manufactures, musical instruments, cheese, and candies also showed gains.

U.S. purchases of watches, clocks, watchworks, and parts fell moderately for the second successive year. Such imports decreased to $50.8 million in 1961 from $54.3 million in 1960 and accounted for the bulk of import decline.

### U.S. Investment Increases

Switzerland's sound economic and political climate, relatively low taxes, and favorable geographic location, as well as excellent international banking, communication, and transportation facilities, continued to attract U.S. investors.

U.S. private direct investment in Switzerland, which rose from $69 million in 1957 to $254 million in 1960, increased further in 1961 to bring the total of U.S.-controlled firms to approximately 500.

The high prosperity of the Swiss economy may be illustrated by the activity of the construction industry, an industry which usually responds most quickly to cyclical pressures and which sparked the present boom.

Construction in 1961 is officially estimated to have reached the record total of $1.67 billion; in 1960, the figure was $1.42 billion.

While housing construction shows signs of reaching the saturation point, other types of construction are expected to increase in 1962 in comparison with 1961.

The watch industry had a record year in 1961, with foreign watch sales (which represent approximately 95% of production) reaching $305.4 million; and order books at the end of the year were reported to be well filled.

The excellent prospects for 1962 are also indicated by the backlog of orders in numerous other industries.

For example, the machine industry has orders which will require 10 months to fill and the electrical industry has order backlogs for 12 months' production.

In a few industries, orders on hand will require years rather than months to fill.

Future industrial expansion may be limited by the labor shortage.

Out of a total work force in Switzerland of 2,514,000, according to the August 1961 census of foreign labor, 548,312 were imported workers.

Skilled foreign workers, however, are increasingly difficult to find due to general prosperity in Europe.

# Alert U.S. Can Hold Share In BLEU's Rising Trade

U.S. trade with the Belgium-Luxembourg Economic Union (BLEU), at a high level in 1961, may be less impressive in 1962 unless greater efforts are made to develop this mutual commerce.

While the U.S. may hold its place as fourth largest trading partner of BLEU, the trend toward increased trading with the Common Market and the Outer Seven may reduce the U.S. proportional share of BLEU total trade.

### Enlarged Trade Potentials

Although the composition of U.S. exports to BLEU has not varied greatly over the last few years, opportunities exist for expanding sales of traditional items and for introducing new products.

In consumer goods, however, U.S. traders will face strong competition from Belgian and from other foreign producers.

**Many U.S. goods in that category, however, are stocked and sold and many more apparently could be sold, because of their superior quality or design, with proper sales effort and pricing.**

To obtain a share of the Belgian market, the U.S. exporter must pay closer attention to that market's specific requirements, such as more and better servicing of equipment, shortening of delivery time, attention to customers' needs, adapting U.S. equipment to the metric system, and modifying electrical equipment to local current requirements.

Promotional material, advertising, and directions for use of products should be printed in the local languages, French and Flemish.

New foreign investments in Belgium increased strongly in 1961. The value of the 77 new American investments, $79,580,000 (3,979 million francs), led in the total $1,333 million (66,650 million francs) invested by foreign interests during the year.

In the period November 1960 to the end of 1961, four U.S. firms located in Luxembourg and several others are considering the country as a location for operations. In December, the Luxembourg Board of Industrial Development ceased operations; investment services were assigned to the Luxembourg Consul General in New York and to the Ministry of Economic Affairs.

BLEU foreign trade in 1961 set new records for both imports and exports, but the rates of increase were lower than in 1960.

Imports for the year were valued at $4,184 million (209.2 billion francs), rising 5.7% above last year's total of $3,958 million (197.9 billion). Exports in 1961 reached a total of $3,906 million (195.3 billion francs) 3.4% above the $3,776 million (188.8 billion) registered in 1960. Export-import coverage was only 93.35% compared with least year's 96.2%. Export orders lost during the 1960 strike which continued into the first half of January probably accounted for much of the drop in coverage.

Detailed country data for BLEU trade are available for only 11 months of the year. Imports from the U.S. in this period were slightly below the total for last year's period, down $18 million (900 million francs) to $338 million (16.9 billion francs).

**The U.S. continued as fourth supplier to BLEU furnishing 8.7% of total imports.**

Exports to the United States remained almost equal to the January-November total for 1960, rising only $2 million (100 million francs) to $332 million (16.6 billion francs).

**The United States took 9.2% of total exports, maintaing fourth place as a customer.**

### Trade With EEC Strengthened

The trend of BLEU's trade toward the Common Market was strengthened when for the second year exports to this area rose above 50% of total exports.

Imports from EEC countries for the first time amounted to more than half of imports from all sources.

Trade with the European Free Trade Association increased by 7.3% for exports and 6.6% for imports. Purchases from the Congo decreased by 13.3% while sales to the Congo fell 33.3%. Losses in the Congo trade were more than made up through increases with other countries.

Barring a few sharp changes, the commodity composition of U.S. trade with BLEU in full-year 1961 was much the same as it has been for the past few years.

Exports of U.S. goods to BLEU based on U.S. data, were valued at $408.5 million, down 3.5% from the $423.3 million in 1960.

The normal commodity pattern in 1960, however, was distorted somewhat because of a nonrecurrent exportation of aircraft. If the data is adjusted by excluding this aircraft item, exports in 1961 show a slight increase over 1960.

**Principal exports in order of value were industrial machinery, grains and preparations, motor vehicles and parts, raw cotton, industrial chemicals, plastics, and resin materials, medical and pharmaceutical preparations, petroleum and prod-**

**ucts, rubber and manufactures, and electrical machinery.**

Although industrial machinery exports jumped by almost 50%, the majority of the principal export categories showed declines. Raw cotton was off 36% owing to lower prices from other sources, especially the Near East and South America.

U.S. imports from BLEU were also down slightly in 1961. Imports for consumption reached a total of $355.7 million, 1.9% less than the $362.7 million registered in 1960. Principal commodities imported from BLEU in order of value were steel mill products, diamonds, glass and glass products, carpets and carpeting, photographic goods, aluminum and manufactures, photographic papers, and flax, hemp, ramie, and manufactures.

In connection with export expansion, a bill was sent to the Belgian Parliament to extend activities of the Belgian Foreign Trade Office by providing for establishment of regional offices to bring the services of the office directly to medium-sized enterprises.

Another proposed law would permit long-term financing by the Office of Guarantee.

To strengthen Benelux export activities, two commissions, one in Belgium and one in the Netherlands, were established to study the possibilities of joint market research by one commission for the Benelux countries as a unit.

On January 1, Benelux rates of duty on most agricultural and food products were modified as the first step toward the Common External Tariff of the Common Market for these products.

### BELGIUM

Belgian economic activity is expected to remain high in 1962 although its tempo may show some slowing.

Government policy, however, through fiscal and monetary reform and development planning, is designed to promote further growth by increasing the rate of investment, promoting exports, and encouraging employment of risk capital.

**Steady price levels, increased disposable income, and industrial expansion and modernization will continue to make the Belgian market attractive.**

Despite the strike in January, Belgium's 1961 gross national product grew by about 4% in constant prices.

Overall industrial activity for the year was estimated to be about 5% ahead of 1960.

Prices, both wholesale and retail, held remarkably stable levels despite boom conditions.

Gold and foreign exchange reserves increased measureably while note circulation rose only moderately.

Tax collections exceeded the total for 1960 by $200 million (10 billion francs) but were below estimates for the year.

Coal continued to be a major problem but advances were made in rationalizing the industry. Notwithstanding mines closed according to schedule, production reached 21.5 million tons, only 1 million below that for 1960.

A sweeping reform of the coal industry was decreed with establishment of a coal directorate with broad powers over the industry.

### LUXEMBOURG

Despite a downturn toward the end of the year, 1961 was a highly satisfactory one for the country.

Crude steel and pig iron production reached alltime highs of 4,112,783 tons and 3,833,725 tons, respectively.

Orders for steel began to decline in August and at the end of the year order backlogs were down to 2 months.

Though there was some slackening in medium industries, all branches showed greater activity than in 1960.

The cost-of-living index fluctuated slightly during the year, closing with an alltime high of 133.09 (January 1, 1948=100), only one-half point above the index for December 1960. Consumer spending showed some signs of softening in the latter part of the year.

Automobile imports were up 14% over last year.

Television sales for the first 11 months increased by 20% but radio sales were down 9%.

*U.S. Trade Prospects Favorable*

# Association of Greece With EEC Will Spur Economic Expansion

Greece expects to become associated with the European Economic Community some time this year, a move which will further stimulate the country's economic expansion.

Prospects for increased U.S. trade with and investment in Greece in 1962 are favorable.

Of importance to both the U.S. trader and investor was Greece's signing of an agreement for association with the EEC.

**While the association in the years to come will provide increasing trade advantages in Greece for the EEC members (France, Germany, Italy, the Netherlands, Belgium, and Luxembourg) it will eventually lead to an attractive investors market of more than 170 million people.**

After ratification of the association agreement by all parties concerned, Greece will receive immediate advantage of the 40% internal tariff reduction already in effect within the EEC, but the immediate reductions in the Greek tariff vis-à-vis EEC will be minor.

Complete tariff elimination will take 12 years for agricultural products and 22 years for manufactured commodities. The same delay is anticipated for aligning the Greek external tariff with the EEC common external tariff.

The process of reducing the higher Greek tariff to the level of the Common External Tariff (CXT), however, will begin at the end of the third year of association.

U.S. exporters of capital equipment can participate in an expanding market fostered by government plans to spend $320 million on industrial development, an expenditure increase of 22% over 1961.

**This factor, coupled with a rising import trend, should increase purchases of such equipment approximately 10% above 1961's alltime record.**

Also contributing to a favorable market for U.S. capital equipment are Greek Government investment incentives and U.S. development loans tied to dollar procurement.

The following categories of goods are believed to be marketable in Greece at the present time:

Industrial, construction and office equipment; vehicles; scientific and precision instruments; ferrous and nonferrous metals and products; lubricants; raw materials for plastics; pharmaceuticals; lumber; and coal.

Also manmade fiber yarns, and synthetic fabric blends; synthetic rubber; baby and canned foods and milk; frozen poultry; parboiled rice; cosmetics; household appliances; fountain pens; safety razors and blades; photographic equipment; motion picture and x-ray film; and motion pictures.

**Last year was the most successful year in Greece's modern economic history. The gross national product rose an estimated 10.7% and there was a $25 million increase in hard currency reserves.**

Contributing to the higher level of economic growth were expanded output, particularly in the agricultural sector, record exports, and increased tourist and shipping earnings.

### *U.S.-Greek Trade Increases*

Trade with the U.S. increased in both directions with the American share of the import market slightly above the general average percentage increase in record imports from all areas.

Under the impetus of rising per capita income and major programs for the modernization and expansion of Greek

industries, that share can be maintained or even increased in 1962.

The upward trend in trade between the U.S. and Greece which began in 1960 continued in both directions in 1961. The U.S., as Greece's second supplier, garnered 16% of the total imports.

On a payment basis, imports of U.S. goods during the first 11 months of 1961 totaled $83.5 million, according to Greek data, 15% more than in the same period in 1960.

The most important increases came from larger imports of U.S. transportation equipment, machinery, fuel, and edible oil.

Greek exports to the U.S. rose from $25.6 million during January-November 1960 to $34.1 million for the comparable 1961 period.

Preliminary foreign trade data based on actual payments for the first 11 months of 1961 indicate that global imports totaled $585 million (c.i.f.) and exports $233 million (f.o.b.). These figures are 13% and 12%, respectively, above the 1960 levels.

Following the traditional pattern, the main import categories were machinery, vehicles, and foodstuffs.

Imports of machinery and vehicles rose by nearly 30% in 1961, an indication of the industrial revolution beginning in Greece.

On the export side, tobacco accounted for approximately one-third of the total.

### *Production Sets Record*

Greek industrial output reached record levels in 1961, increasing by 7% during the first 11 months as compared with the same period in 1960.

The most significant gains occurred in the textile, building material, electrical appliance, and machinery industries.

Industrial investment activity was brisk. Various types of investment were approved by the Greek Government and received the benefits of incentive provisions of its foreign investment legislation.

# *Booming Finnish Market Spurs Exports From U.S.*

Finland, riding the crest of a boom which began in mid-1958, continues to offer bright prospects for U.S. exporters.

Demand for consumer goods, sparked by rising incomes and relatively stable living costs, is especially strong.

Demand for investment goods, such as machinery, plastics, and textiles, began to taper off in 1961, but the outlook appears satisfactory for continued large U.S. sales.

Finland's economic indicators for 1961 generally reflect the good business climate.

Gross national product (GNP) rose an estimated 6% over 1960, while overall industrial production was up 7%.

As the year progressed, however, the rate of industrial growth began to slacken as all factors of production neared the point of full utilization.

Contributing to a favorable trade outlook for 1962 was the Finnish Government action of raising by 20% the country's global quotas (import allocations to the multilateral trade agreement countries, including the United States).

In a further move to encourage trade, Finland recently added about 200 tariff items to the group of commodities which may be imported license free.

Consumer goods demand pushed 1961 retail sales to a record level in Finland—12% above the level of the preceding year.

Kitchen utensils, hardware, novelties and notions, high-quality wearing apparel, and canned fruits and juices are especially good prospects for increased U.S. consumer goods sales to Finland.

In the investment goods sector, a continuing need for high-quality U.S.-built machinery is forecast.

The metalworking industry and other segments of Finnish industries, such as plastics and textiles, have sizeable modernization and expansion plans.

United States foreign trade statistics indicate U.S. exports to Finland fell slightly from $56.2 million in 1960 to $56 million in 1961. U.S. imports from Finland dropped from $52.1 million in 1960 to $46 million last year.

The slight decline in U.S. exports can be explained by a sharp decrease of paper and pulp machinery sales during the year.

Exports of this equipment to Finland fell from more than $10 million in 1960 to less than $5 million in 1961. Orders are slackening off as Finland completes its ambitious modernization program for the industry.

**Machinery and vehicles—as in the past—accounted for a large share of U.S. exports to Finland (47% in 1961).**

**Most machine goods, other than paper and pulp machinery, scored sales increases for the year.**

U.S. exports to Finland of construction, excavating, mining, and related machinery advanced 18% above 1960 shipments, with sales approaching $5.4 million.

Other notable increases were achieved in exports of electronic equipment (up 70%), metal cutting machinery, textile machinery, and office machinery.

Decreased sales were registered in tractors, engines and turbines, and power generator machinery.

Auto and auto parts exports showed a slight increase.

Significant advances were also made in U.S. exports of goods other than machinery and vehicles.

Sales of unmanufactured tobacco in 1961 were up 65% over the preceding year, manmade fibers 112%, and nonmetallic minerals 26%.

Cotton and copper exports to Finland were sharply down, however, from 1960 sales.

The decline in U.S. imports from Finland in 1961 resulted from decreased purchases of wood products, wood pulp, glass, paper and paper manufactures, and paper base stocks.

**Last year was an exceptionally active year in regard to official Finnish-U.S. trade relations.**

In May-June the United States presented a solo trade fair in Helsinki. At the same time a U.S. trade mission visited Finland.

In October Finland's President Kekkonen visited the United States. Concurrent with his visit, a group of Finnish trade and industrial representatives visited New York and other U.S. trade centers, emphasizing Finland's interest in increasing its trade with the U.S.

Industrial production in Finland during 1961 rose 7% above the preceding year.

New production and export records were set by the pulp and paper industry as modernization and expansion plans neared completion.

Finnish metalworking industries also increased production substantially in 1961.

### *Money Market Tightens*

The money market in the last quarter of the year showed some signs of tightening; it promises to grow even tighter in the next few months.

Although savings developed favorably thoughout the year, demand for credits has continued at a high level.

Finland's foreign exchange position continued strong in 1961 despite a large trade deficit, chiefly because many goods were imported on credit.

Finland's association with the European Free Trade Association (EFTA) became effective July 1, 1961, and the country lowered import duties on most industrial products originating in EFTA member countries by 30%.

EFTA members have agreed to reduce

duties by another 10% during 1962.

This 10% cut become effective in Denmark, Portugal, Sweden, Switzerland, and the United Kingdom on March 1 and will take effect in Austria and Norway not later than Sept. 1.

Finland's schedule for the 10% tariff cut has not yet been announced.

# Trade Potentials Abound In Spain's Eased Policies

Lack of a clear, long-range plan of priorities for economic development, as well as uncertainty over her eventual role regarding the Common Market continue to impede the growth of Spain's economy. Nevertheless, the country remains an extremely good trading partner and investment opportunity for U.S. businessmen.

Indications of increased economic activity in 1961 which forecast continued improvement in 1962 were:

- Record rate of expansion of private bank credit.
- Swing of the Government's budget into an expansionary pattern, with substantially increased expenditures planned for 1962.
- Record foreign exchange reserves and imports.
- Very satisfactory increase in industrial production, particularly in those areas affected by the 1959-60 recession, giving evidence that production is spreading and acquiring a broader base.
- Continuation of the trend toward resumption of the normal work-week and overtime.
- Negotiation of significant precedent-setting collective labor agreements.
- Slight increase in wages, which however still remain below the 1958-59 level in real total wages for most workers.
- Expectation that grain and citrus crops will exceed the crops of the past few years.
- Continued slow but general upward movement in retail sales.
- Slight upward movement of prices.
- Continued foreign investment, which reached a record high in the third quarter of 1961.

### *Other Developments*

Other developments which were especially encouraging to American businessmen are:

- Removal of the prohibition on foreign capital in closed-end investment trusts.
- Major liberalization of foreign portfolio investment laws.
- Minor reductions in import duties on a number of commodities.
- Issuance of the sixth liberalization list and the 1962 global list in February 1962.

U.S. business firms are not yet taking full advantage of their opportunities in Spain, particularly with respect to merchandise recently liberalized for free entry without licenses and imports covered by global quotas.

U.S. companies should become more familiar with the Spanish market, exhibit more at trade fairs, sell more aggressively, use more local advertising companies and material printed in Spanish, try to meet the price and credit terms and other facilities offered by European competitors.

U.S. exports to Spain increased by over 42% in 1961, rising from $189 million in 1960 to $269 million in 1961.

In the first half of the year, the U.S. supplied about one-fourth of the Spanish imports and the Common Market countries accounted for about the same percentage.

The leading U.S. exports to Spain were edible vegetable products, machinery and vehicles, textile fibers and manufactures, and metal and manufactures.

The composition of U.S. exports to Spain has varied widely from year to year.

Spanish exports to the U.S. remained relatively stable in 1961, dropping slightly to $84.4 million from $87.7 million in 1960. In the first half of last year, the U.S. took about 10% of Spanish exports, whereas the countries of the Common Market bought about 45%.

There is generally no great annual variation in the composition of U.S. imports from Spain.

### *Centers at Fairs*

The American Embassy and the Consulates General in Barcelona, Seville, and Valencia, with the cooperation of the American Chamber of Commerce in Spain, maintained Trade Information Centers at fairs in the three cities.

Private participation was encouraged at the Barcelona Fair, but a relatively small number of U.S. companies exhibited, indicating that American business is not pursuing this market as actively as its European competitors.

Spain has requested conversations aiming at eventual entry into some form of association with the Common Market. The course which these discussions take will be extremely important in the future of Spanish foreign trade.

Spanish gross international reserves reached a record $859 million by the end of 1961, an increase of $269 million during the year. A smaller increase is expected for 1962.

The Spanish stock market was relatively strong and drew increased foreign interest, probably because of the gradual improvement in Spain's economic situation. Spanish stocks are now quoted on foreign exchanges and foreigners have been permitted to buy shares in closed-end Spanish investment trusts.

Foreign investment totals for 1961 are estimated at about the same $37.8 million level as 1960.

During the first half of 1961, the U.S. was the major supplier of foreign capital, and its $5.6 million made up 37.6% of total foreign investment. Switzerland followed with 21.7%, then Germany with 12%, France with 6.1%, and Great Britain with 3.7%.

However, West Germany led capital equipment investment during the first 6 months of 1961 with $843,000, or 28.2% of that total, followed by the Netherlands (25.4%), France (24.7%), the U.S. (5.9%), and Great Britain (4.5%).

# Norway Looks To Another Good Year

The Norwegian economy operated at a high level during 1961. Norwegian businessmen look for 1962 to be another favorable year, but temper their optimism with caution.

Norway's gross national product increased by nearly 6% in 1961 and industrial production in most industries surpassed 1960 levels.

However, because of a sharp rise in domestic demand and prices, the Norwegian Government adopted restrictive fiscal and monetary policies at the end of 1961 and instituted a price freeze as of January 1, 1962.

U.S. foreign trade statistics showed that American exports to Norway totaled $90 million as compared with $89 million in 1960. U. S. imports from Norway totaled $89.9 million as compared with $88 million in 1960.

Machinery and vehicles, which accounted for more than 24% of U.S. exports to Norway, showed an increase of 15% in 1961 over 1960.

Other exports which rose were chem-

icals, textile fibers, fats, and oils, clothing, and animal products.

On the other hand, exports of such products as grain, tobacco and solid and liquid fuels declined.

The decline in tobacco imports was attributed to the high level of inventories at the end of 1960.

Norwegian trade statistics show that the U.S. occupied fourth position both as a supplier of imported goods and as a market for Nowegian products.

The United Kingdom, West Germany and Sweden outranked the U.S.

In 1961 the United States supplied 7% of total Norwegian imports and received 8% of total Norwegian exports.

Opportunities for American exporters to widen their sales in Norway were enhanced by the Norwegian Government's program of trade liberalization, which was expanded in 1961. This program is being continued in 1962.

On July 1, 1962, vegetable oils, industrial and household soaps, and biscuits are being added to the extensive list of products which may be imported without license.

It is possible that Norway will accelerate its trade liberalization program for industrial goods during this year, but prospects for further free listing of agricultural products controlled by the Ministry of Agriculture are not as promising because of domestic policy considerations.

Recent reports from the American Embassy on marketing prospects for American goods show that there are possibilities for greater U.S. exports of such products as coin operated amusement machines, machine tools, dies, and metal working machines.

# *Irish Economy Continues Expansion; Employment, Personal Income Rise*

The continuing expansion of the Irish economy, with higher employment and increased personal income and expenditures, offers expanded opportunities to the American exporter.

During 1961, Ireland's economy expanded about 5%, a figure which maintained and slightly increased the momentum apparent in the past 2 years.

However, the future growth of the Irish economy will be greatly influenced by the relationship of Ireland with the European Economic Community (Common Market).

Ireland's application for EEC membership will depend largely on the United Kingdom-EEC negotiations.

### *Employment High*

Not only was there a high degree of employment during the year, but earnings and income were substantially greater.

Increases in farm prices and wages, together with overtime pay, have combined to increase personal income significantly.

Availability of this income has been especially noticeable in increased wholesale and retail trade.

Irish officials have expressed some concern as to the capacity of the economy to absorb these wage increases without inflation and increased demand for imported goods.

There has been some discussion of a new round of wage increases and serious attention is being given by the Government of Ireland, employers, and segments of organized labor to the need for keeping wage increases in line with productivity growth.

Irish imports and exports were at an alltime high in 1961, approximately $732.3 and $504.3 million respectively, as compared with about $633.9 and $442.9 million for 1960.

Although the export gap at $227 million stands $20.7 million higher than a year ago, it is actually $1.1 million less than that incurred in 1959, when Irish trade was at substantially lower levels than it is today.

This expansion in trade reflects not merely the drive for exports which characterizes Ireland today, but also the domestic prosperity which is increasing the demand for imports both of consumer goods and of raw materials.

There are many observers in Ireland who feel, however, that the trade balance will be exposed to pressure during 1962.

Decreases in exports of agricultural products, especially cattle, are expected.

U.S. exports to Ireland during 1961 increased approximately 17%—from $38.6 million in 1960 to about $45.1 million in 1961—and it is believed that the increase will continue throughout 1962. Substantial gains were recorded in corn, unmanufactured tobacco, and bituminous coal.

Other major exports during 1961 were industrial machinery, fruit and fruit preparations, cotton manufactures and electrical machinery. All of these items except for electrical machinery decreased moderately.

U.S. imports from Ireland for 1961 totaled approximately $30.6 million, compared with $28.2 million for 1960. Of the total imports from Ireland, meat products (especially beef and canned meats) accounted for nearly $23 million, or about 75% of the total. This was an increase of $3.5 million over that of the previous year.

Other major imports from Ireland during the year were wool, beverages (whiskey and malt liquors accounting for most of this category), horses and wool manufactures.

# U.S. Assistance Boosts Trade With Yugoslavia

Yugoslav purchases from the United States are expected to continue at a fairly high level in the first half of 1962.

Foodstuffs, industrial machinery, and capital goods will be emphasized.

These purchases will result mainly from the P.L. 480 agreement signed in December and also from the continued utilization of the 1961 U.S. credits supporting the exchange reform enacted earlier in the year.

Continuing its past policy, toward the close of the year Yugoslavia signed an agreement in Paris with the Organization for Economic Cooperation and Development (OECD) for observer status in that organization.

Yugoslavia will cooperate in various OECD activities, including those dealing with labor productivity, technical assistance, agriculture, and fishing. Through this agreement, Yugoslavia will play much the same role in OECD as in its predecessor, the Organization for European Economic Cooperation.

### *Exports from U.S. Soar*

U.S. exports to Yugoslavia in 1961, aided by our economic assistance programs, rose 79% over 1960 while our imports remained virtually unchanged.

The country at the close of the year was experiencing some balance-of-payments difficulties. Payments reportedly were lagging because of a shortage of foreign exchange.

A principal factor in last year's expansion of the trade gap by almost a third, to $344.9 million, was the poor export showing.

**Instead of increasing by 7% as planned, exports sagged by 2% from 1960 levels, while imports climbed 9%.**

Contributing substantially to the poor foreign sales results was the difficulty encountered in adjusting to the fundamental changes brought about by the foreign trade and exchange reform.

In the uncertain first quarter, Yugoslav exporters hesitated to sign contracts before finding out what the new regulations would mean to their operations.

Then the new system, which introduced a new customs tariff, eliminated multiple exchange rates, and aimed at adjustment to the world market, brought lower dinar revenues to many industrial exporters, and some shifted away from the export to the domestic market.

Thus 1961 was a year of adaptation

and readjustment by producers to the new conditions.

The U.S. in 1961 resumed its position as Yugoslavia's top supplier, accounting for 20% of its imports.

Our sales, amounting to $153.9 million, according to Commerce Department figures, registered gains in nearly all commodity groups, especially in tallow, wheat, raw cotton, paper and paper products, lubricating oils, iron and steel scrap, electrical machinery and apparatus, and medicinal and pharmaceutical preparations.

The U.S. Government, as in the past 6 years, had a large pavilion at the Zagreb Fall Fair where products of many American firms were displayed.

A number of U.S. firms also participated in the Belgrade Fair.

Specialized trade fairs, held throughout the year in Yugoslavia, are a convenient point of contact for U.S. businessmen with Yugoslav business officials.

# Slight Upswing Seen In British Economy

Her chronic balance of payments deficit and a slow growth rate continued to plague the British economy in 1961, but hopeful estimates of a slight upswing point to a somewhat brighter picture for 1962.

The extent of her recovery will depend on the government's success in working out a wage policy which permits an expansion of the economy without producing inflationary pressures that cancel out productivity gains.

Although U.S. trade with Britain generally has reflected the state of the British economy, there are some favorable aspects for American businessmen.

U.S. exports to Britain fell off 17% in 1961, and British shipments to the U.S. dropped by 10%. The U.S. share of the overall British market also fell from 12.5% to 11%, but the U.S. remained the United Kingdom's principal supplier.

Virtually the entire drop in U.S. exports to Britain was in aircraft and basic raw materials, many of which had been heavily sold in 1960. Aircraft exports plummeted from $87 million in 1960 to only $3 million in 1961. They traditionally vary widely from year to year, depending on contracted deliveries for new aircraft.

The lower level of metal exports reflects the full inventories resulting from high purchases in 1960 and the effects of a slowdown in the rate of industrial expansion.

Exports of cotton were down sharply, again reflecting the heavy stocks held in the United Kingdom coupled with depressed conditions in the cotton textile industry.

### *The Brighter Side*

More cheerfully, there was an impressive increase in sales of finished products. Exports of processed goods increased all along the line in 1961.

Machinery exports rose in almost every category, with particularly impressive gains by machine tools, metalworking machinery, textile machinery and miscellaneous industrial machinery.

Among consumer goods, photographic equipment zoomed up by 25%, and there were indications that many other United States consumer products were beginning to win acceptance on the United Kingdom market.

Of items liberalized in the past few years, sales of United States canned fruits were particularly impressive, rocketing 55% above 1960.

United States agricultural products generally maintained their position on the United Kingdom market in 1961.

Our imports from Britain were lower in 1961, but if the sharp slump in automobile deliveries were discounted, total United States imports from the United Kingdom would have shown an increase for the year.

U.S. imports of British passenger cars and parts sagged from $198 million in 1960 to $60 million in 1961. This sharp decline was caused by heavy stocks on hand from the previous year, coupled with more severe competition from United States compacts and the generally sluggish market for cars.

Automobile exports to the United States picked up in the last quarter of 1961, as stocks began to dwindle.

Textiles were also down, with woolens off about 10%. Imported metals tailed off, with marked falls in tin, copper, and steel.

Certain consumer goods imports from the United Kingdom held up well. China, earthenware and leather products maintained their 1960 levels, and whiskey sales were up 7%. Certain machinery categories gained heavily: textile machinery went up 50%, and electrical machinery almost 30%.

### *Trade Should Increase*

As raw material inventories are used up there should be some restocking of basic materials. The level of consumer goods exports to the United Kingdom depends on the degree of recovery shown by the British economy in 1962 and the restrictions on domestic purchasing power maintained by the Government.

The outlook is promising for many U.S. products which have only recently come onto the British market.

U.S. imports of English products should also increase in 1962, although it is unlikely that more than a part of the 1960 automobile market will be recaptured.

Trade promotion efforts in the United Kingdom intensified as the U.S. Trade Center operation moved into high gear. The first ten months demonstrated the value of this export promotion technique.

Since the Center's opening in June 1961, the products of 325 American firms have been displayed, promoted, and sold in a series of 8 exhibits featuring such products as housewares, lamps, food products, bourbon, apparel and toys and games.

The Trade Center has been particularly useful to American firms not previously active in the British market, and nearly 40% (129) of the displaying firms entered the United Kingdom market for the first time through the Trade Center exhibits.

More than half of these firms signed agreements with British and Continental agents for the long-term representation of their products in British and European markets. Most of the remaining firms are negotiating for long-term representation.

Although the primary emphasis at the London Center has been upon obtaining agents for exhibiting firms, on-the-spot sales have also been substantial.

The London Trade Center has scheduled exhibits of photographic equipment, ladies' handbags and accessories and electronic equipment for the remainder of 1962.

Exhibits of "do-it-yourself" home repair products, medical and surgical supplies and equipment, and sporting goods are also being considered for presentation this year.

The Department of Agriculture will squeeze in two exhibits dealing with agricultural and food products.

In July 1961 the balance of payments problem forced the British Government to impose severe restrictions on the domestic economy in order to restrain demand and free resources for the expansion of exports.

The credit squeeze began to take effect by late fall, and there was a perceptible slowdown of industrial production and consumer expenditure. Although Government policy achieved its short-term objective of strengthening the pound and closing the widening gap in the balance of payments, the long range problems remained.

Britain succeeded in narrowing its

commodity trade gap in 1961, but the improvement came more from a fall in imports than from the expansion of exports. British exports, including re-exports, totaled 3.8 billion pounds in 1961, a rise of 3.5% from the preceding year, while imports of 4.4 billion pounds were down by almost the same percentage.

Britain's domestic economy was expanding at a moderately satisfactory rate through the first half of 1961, but fixed investment was already slowing down. The Government's deflationary measures reversed the upward trend, and by the end of the year the general picture was one of slowly decreasing pressures on the economy reflected in easing of labor shortages, the cessation of inventory building, restrained rises in prices, wages, and earnings and a slackening in overall output. There were signs early in 1962 that the Government might ease its deflationary policies, and in March the Bank rate was dropped from 6% to 5%.

British industry approached 1962 in a cautious mood, with growing pressure on profit margins and shrinking order books. Some recovery in consumer durables is expected by late spring or early summer.

The capital goods industries still have reasonably full order books but the capital investment boom appears to be tailing off, and orders are likely to grow thinner as the year progresses.

Despite the possibility of higher exports, some recovery in consumer spending, and an increase in Government spending which may offset the downturn in private capital investment, the expansionary forces in the economy are unlikely to produce more than a 2-3% increase in production.

Britain's long-standing economic difficulties were brought into sharp focus in 1961 by her application for membership in the Common Market. The complex negotiations leading to membership were in full swing early in 1962 with the outcome still uncertain.

There was general agreement that entry into the Common Market will not automatically solve Britain's economic problems. However, some observers believe that the shock of readjustment which entering the Common Market would induce might be the catalyst which would force long-needed structural changes in British economic life.

# U.S. Exporters May Expect Gradual Increase in Trade with Portugal

U.S. trade with Portugal may be expected to increase gradually during the coming year.

Exports of wheat, cotton, and machinery and equipment should rise, if present plans for economic development are maintained.

The possibility of further military operations in the oversea Provinces, such as marked early 1961, is the principal factor which would slow down or upset this gradual development.

Portugal's second 6-year development plan, for both continental Portugal and the oversea area, should present improved opportunities for U.S. investors and exporters. Construction of the Tagus bridge at Lisbon, scheduled to begin in 1962, is an outstanding example.

Construction or assembly of automobiles in Portugal is being encouraged by the Government.

### *More Wheat, Cotton From U.S.*

According to Portuguese statistics, imports from the U.S. in 1961 were valued at $50.1, up by about 25% over the preceding year largely as the result of increased imports of wheat and cotton.

The U.S. supplied 7.5% of total imports in 1961 and 7.1% in 1960.

U.S. imports from Portugal in 1961 were valued at $40.3 million, up somewhat over the preceding year.

An increase in cotton textiles marked the principal change in the commodity pattern.

The U.S. took 12.1% of Portugal's exports in 1961.

Portugal's association with the European Free Trade Association (EFTA) countries affords these countries advantages in duties and shipping costs for many categories of imports.

As the Portuguese market tends to be oriented toward price, these factors will continue to affect the normal expansion of U.S. exports in many lines.

At the Third Lisbon International Trade Fair, to be held in June, the U.S. is participating with a Trade Information Center.

Portugal's gold and foreign exchange reserves stood at $722.4 million in December 1960, but declined to $607 million by September 30, 1961. An upward trend developed later in the year, so that reserves reached $617 at the end of November.

Portugal completed membership requirements for the General Agreement on Tariffs and Trade (GATT) early in 1961, and reportedly is considering some form of association with the Common Market.

A decree late in 1961 provided that loans to Portuguese companies, if approved by the Government, would be officially guaranteed. This new policy would appear to be a reversal of the Government's reserved policy toward foreign investment.

# Austria Relaxes Import Duties On Many Items

Recent measures taken by the Austrian Government appear to favor increased imports, and the country continues to offer a good market for a widening range of U.S. goods.

The market for imported goods has been improved by Government action in reducing import duties on many industrial products, extending import liberalization measures, and opening global import quotas on goods previously traded bilaterally.

Widened import liberalization should improve sales possibilities for many products, including frozen vegetables, television sets, record players, tape recorders, tires, tractors, pharmaceuticals and a variety of chemicals.

Despite weaker demand in the heavy industries, prospects are still good for industrial machinery, electrical engineering products, and heavy earth-moving equipment.

### *Trend Toward Expansion*

Despite a slackening demand in the capital goods industries, expansion trends still dominate the scene. Wages and prices are rising, and unemployment is very low.

Indications are for continued growth of production in 1962, although at a diminished rate.

With profit margins narrowing and wages going up, producers are less able to meet foreign competition by cutting prices.

The level of imports free from quota limitations was raised from 90% to 93% with respect to shipments from the U.S. and from other members of the Organization for Economic Cooperation and Development (OECD).

This action, effective January 1, was taken in response to a decision by the International Monetary Fund that Austria's balance of payments no longer justified maintaining import restrictions.

The Austrian Government made a 10% tariff cut across the board on most industrial imports. This also went into effect January 1.

The Government also recently announced the opening of global import quotas which will give U.S. suppliers their first chance in years to sell a variety of consumer and industrial products to Austria.

These measures were taken to combat the threat of inflation through rising wages and prices.

For the same reason, the Government tightened credit restrictions and curbed

its own expenditures.

Concern is felt over the inflationary trend at a time when industrial orders have fallen off and the rate of production growth has been declining.

Despite these developments, Austria, with an increase of nearly 6% in gross national product last year, still has one of the fastest growing economies in Europe.

Its balance of payments showed a surplus in 1961, after registering a deficit the previous year, and reserves of gold and foreign exchange stood at $820 million at the beginning of 1962.

A member of the European Free Trade Association (EFTA), Austria applied last December for association with the European Common Market.

### *Imports from U.S. $88 Million*

Austria bought $88 million worth of goods from the U.S. in 1961, and sold $46 million to this country.

U.S. sales were down by 15% from the unusually high 1960 figure of $104 million, while Austria's sales to this country registered a decrease of 6.5% from the year before.

Despite the drop in total U.S. sales, this country maintained its place as Austria's third-ranking supplier, coming after West Germany and Italy. About 6% of Austria's total imports, by value, came from the U.S.

U.S. sales to Austria of machinery and vehicles declined slightly from $31.75 million in 1960 to $29.5 million last year.

Mainly responsible for the fall in imports from the U.S. were foodstuffs and fuels.

Bumper grain crops in Austria led to a drop in imports of grain, while rising domestic production and growing interest in Near East oil were reflected in lower purchases of coal and fuel oil from the U.S.

# Climate Excellent in France For U.S. Export Expansion

France's growing industrial production, full employment, strong external financial position, and liberal trade policy testify to the excellent climate there for expansion of sales of U.S. goods.

While the generally bright French economic picture recently was slightly clouded by inflationary pressures, the rise in food prices now is at least seasonally spent.

Imports and unused productive capacity should satisfy additional demand for manufactured goods.

### *Expansion To Continue*

Economic expansion is expected to continue through 1962 with increasing private investment, rebuilding of stocks, and rising demand for foreign manufactured goods.

The outlook is bright for continued French purchases of U.S. cereals, and there is a strong and increasing demand for organic and miscellaneous chemicals.

Prospects are excellent for an increase in the current high level of French purchases of wood pulp from the U.S.

French imports of U.S. motor vehicles should expand moderately, while increased U.S. sales of optical, photographic, and medical equipment and parts also are expected to continue.

Similarly, the outlook appears favorable for U.S. shipments of electrical machinery and appliances.

The French market for U.S. machine tools will benefit from the general expansion of the French industry which is expected to continue through 1962.

**Some observers believe France to be an excellent market for practically all types of capital and consumer goods if offered at competitive prices and if the design is superior.**

**They warn that to market new products in France and to counter stiffening European competition an intensive sales effort, with the use of almost the same techniques as in the U.S. will be required.**

### *Trade Balance Favorable*

The Franco-American trade balance for 1961 remained favorable to the United States, registering a $320.2 million surplus, although imports from the U.S. declined slightly from $744.8 million in 1960 to $737.9 million in 1961.

However, if non-recurrent aircraft imports were excluded from these totals French purchases of U.S. goods would have risen by 13.7%.

Last year, for the first time since 1927, the French balance of foreign trade was favorable.

Because of an increase over 1960 of 11% in exports and 7% in imports, exports valued at $5,334 million covered imports valued at $5,190 million by 103%.

**A comparison of 1960 and 1961 French trade statistics indicates France's foreign commerce last year was oriented toward Europe more than ever before.**

Imports from and exports to Common Market countries both showed 14% gains; imports from and exports to EFTA countries were up 24%, 8%, respectively.

By contrast, exports to the franc zone declined by 8% while imports advanced by 5%.

France's major foreign supplier was West Germany, with sales of $1,139 million.

With a favorable foreign trade balance, French reserves of gold and foreign currency, which stood at $2,070 million in December 1960, totaled $2,939 million at the end of 1961.

Further foreign payments gains registered since the beginning of this year brought the reserves to $3,056 at the end of February.

The U.S. retained its position as France's second supplier with 1961 sales of $737.9 million, a 14.2% share of total French foreign imports. The U.S. share in 1960 was 15.3%.

Preliminary U.S. data indicated the negligible decline in total value of exports to France was principally at-

COURTESY AUSTRIAN EMBASSY

**IN AUSTRIA: Construction is continuing on this dam near Salzburg.**

tributed to lower sales of aircraft, a nonrecurring export item. The f.o.b. value of U.S. aircraft, parts, and accessories exports dropped from $95.5 million in 1960 to $13.7 million.

In comparison with the 1960 totals, French purchases of U.S. electrical machinery, including electronic equipment, were up 52.4% to $32.8 million; of industrial machinery, 41.5% to $98.6 million; of chemicals and related products, 23.4% to $54.5 million; and of metals and manufactures, excluding machinery and vehicles, 8% to $76 million.

The latter category included rising purchases of iron and steel scrap, refined copper, and molybdenum.

**The most dramatic increase in French imports of U.S. goods in 1961 as compared with 1960 was that of grains and grain preparations. Such imports rose almost ten-fold to $11.2 million.**

Other sizeable U.S. exports to France were in the categories of miscellaneous products, such as scientific instruments, photographic equipment, toys and games, and musical instruments which rose 78.9% to $23.6 million, and automotive vehicles, up 17.9% to $9.7 million.

Trade in the categories of edible and inedible animal products and in wood and paper products totaled $31.3 million, $4.9 million above the 1960 figure.

Although U.S. cotton exports fell 31.7%, cotton sales to France were nevertheless maintained at a high level.

Record cotton exports to France in 1960, totaling $93.9 million, represented more than a three-fold increase over 1959.

The short-term outlook for the sale of U.S. cotton is not good since total cotton consumption has been reduced and the price of U.S. cotton is not competitive.

Other U.S. export decreases were registered for dried prunes, vegetable oils, rubber, synthetic fibers, coal, iron and steel mill products, and metal forming machine tools.

Contributing to rising U.S. exports to France were several French trade liberalization measures which, by the beginning of 1962, had virtually eliminated quantitative restrictions on dollar area nonagricultural imports and the reduction of many French import duties.

Three tariff changes made during the year brought approximately 75% of French duties on industrial goods to the level of the Common External Tariff (CXT) of the EEC.

### *Imports from France Up*

U.S. preliminary statistics indicate imports from France rose by 9.6% in 1961 over 1960.

As previously explained, French imports of U.S. aircraft accounted for a decrease in total U.S. exports to France. Conversely, large U.S. purchases of French aircraft were responsible for the French gain.

An order of $70 million for delivery of 20 French "Caravelle" aircraft was executed in 1961 by a U.S. concern. By the end of the year, almost entirely because of that order, France had exported $43.8 million of aircraft and parts to the U.S.

Exclusion of the aircraft category in the 1960 and 1961 French export totals would indicate a drop in exports to the U.S. of 1.2%.

Other increases in U.S. major purchases of French products in 1961, as compared with 1960, were aluminum and manufactures, artworks and antiques, inedible animal and animal products, beverages (principally wines), soap and toilet preparations, non-electrical machinery, and chemicals and related products.

### *U.S. Private Investment Up*

U.S. direct private investment in France, which stood at $217 million in 1950, climbed to $464 million in 1957 and reached $741 million in 1960, $109 million above the 1959 level. A sizeable further increase was registered in 1961.

The rapid acceleration in the amount of investment during the 1958-61 period is largely due to France's membership in the EEC.

Through progressive reductions, the internal tariffs of the six member nations will be abolished by 1970 or earlier.

For firms established within EEC this will result in a market of more than 170 million persons unobstructed by import duties.

The French rate of industrial expansion was somewhat lower in 1961 (6%) than in 1960 (10%).

However, following a lull after the first quarter of the year, the expansion rate in the last quarter exceeded that of the rest of Europe. Production was sparked by domestic and external demand although purchases by overseas members of the franc area declined.

The provisional industrial production index for 1961, exclusive of building, reached an average annual level of 186 (1952=100), 10 points above the 1960 average.

### *Production Rise To Continue*

The French National Institute of Statistics, on the basis of an inquiry in December 1961, concluded that industrial production will continue to expand at a moderate rate—approximately 7% during the first few months of 1962.

It found that business executives are mildly optimistic about prospects. While some anticipate a period of relative stagnation, the majority foresee a pickup in the months ahead as a result of rising domestic demand and full employment.

# Denmark Needs Capital Goods, Raw Materials

The high level the Danish economy achieved in the last 2 years is expected to be maintained this year. Outlook for U.S. exporters is good.

Denmark's industrial program requires substantial imports of foreign capital goods and raw materials.

Because of a scarcity of labor, Denmark has a demand for foreign-made labor saving equipment. This demand is expected to increase for several years to come.

U.S. exporters will have a continuing opportunity to compete in this field.

### *Relaxes Import Restrictions*

Denmark has further relaxed its import restrictions, an action which should offer U.S. exporters greater opportunities to compete in the Danish market.

Among products freed from import restrictions on January 1 were frozen fillets, pyrotechnic articles, stencils, storage batteries, organs, harmoniums, and machine brushes, including brushes for vacuum cleaners.

Canned and frozen citrus juices in consumer packages are now being licensed for import from the "free area," which includes the United States, with no fixed quotas stipulated.

Licenses are now being granted for the import of grapes from the U.S.

**Negotiations are now in progress concerning Denmark's application for membership in the European Common Market.**

While special concessions were requested in the initial Danish statement on application, the country's chief concern appears to be how to retain present markets for agricultural exports in the period before membership becomes effective.

### *Tariffs Revised*

Last February, the Danish Parliament passed the Tariff Revision Bill, a measure which became effective on March 1.

This action followed through the Government's program for converting its customs tariff from a specific to an ad valorem basis.

This program was started when Denmark adopted the Brussels nomenclature and made a general revision of its tariff on March 1, 1960.

**The current revision changed several specific rates on agricultural commodities, fruits, vegetables, certain processed food items, vegetable oils, and fats to ad valorem duties. In a number of instances there was an upward adjustment in the various rates.**

The only U.S. exports significantly affected by the new tariff rates are prunes

and rice groats, including milled and polished rice.

### Economic Review

Economic growth in Denmark during the last part of 1961 was actually small, with the real increase in industrial output only marginal.

Manpower shortages during the year were evidenced in building and construction and in industry, particularly in the metal trades.

Industrial investment rose by about 15% in current prices in 1961; the inducement to invest, however, is being curtailed by the tight credit market and the scarcity of labor.

After having remained relatively stable during the first 9 months of 1961, compared with the corresponding period of the previous year, the balance of trade deteriorated somewhat in the fourth quarter.

The excess of imports over exports amounted to $350.7 million for the year as a whole, or about $31.5 million more than in 1960.

Denmark's foreign-exchange reserves declined last February to about $165.4 million (1,141 million crowns) on February 28 as compared with $177.9 million (1,227 million crowns) on January 31. The National Bank's holdings of foreign-exchange decreased by $130.5 million (90 million crowns).

### Imports From U.S. Down

Imports from the United States in 1961 ($160 million) were 8.4% lower than in 1960 ($174.9 million), largely because of smaller imports of grain and grain products, down by 60%, feedstuffs, down by 9%, and transportation equipment, down by 56%.

Imports of other commodities from the U.S. showed a gain—chemicals and chemical products were up by 9%; textiles, textile products, and clothing up 21%; machinery up 23%; tobacco up 17%; and oilseeds up 3%.

Since the 1961 Danish harvest virtually equaled the 1960 yield, imports of grain and feedstuffs from the U.S. are not expected to go up in 1962 unless there is a marked increased in livestock production.

# U.S. Aid, Trade Vital To India's Third Plan

Economic cooperation between India and the United States in 1961 continued at the new high plateau reached in the previous year.

All signs point to a continuance of this trend in 1962.

During 1961, sales of American manufactures and industrial raw materials, amounting to $242 million, surpassed previous levels; shipments of surplus agricultural commodities to India at $241 million were exceptionally large, even though well below the massive deliveries of 1960.

There was a notable increase in the number and diversity of joint venture and licensing agreements between American and Indian firms.

U.S. imports from India amounted to almost $255 million—the highest since the Korean War level of 1952—owing mainly to sharp increases in burlap prices.

### 3 Avenues of Trade

In 1962, there are 3 main avenues of trade with India.

The first is trade opportunities arising from the U.S. commitment of 1961 to provide about $1 billion in external assistance for the first two years of India's Third 5-Year Plan (1961-66). The $545 million being made available for the Indian fiscal year ending March, 1962, and another $500 million to be provided during the next fiscal year contributes directly to our exports, since almost all is tied directly to U.S. procurement.

With various new loans announced in March 1962, U.S. assistance for the first fiscal year now totals $428 million; loans to cover the remainder of the commitment are being processed.

One major part of this assistance program consists of loans and grants by the Agency for International Development (AID) and financing by the Export-Import Bank for specific projects in such fields as power, irrigation, transportation, and port development.

Such dollar financing also is being made available directly for some large Indian private industrial projects and to Indian industrial banks for channeling to smaller private ventures.

### Non-Project Financing

The other major category of assistance is non-project dollar financing. With the announcement of two new loans of $100 million each in March 1962, such assistance totals $220 million for the first fiscal year of India's Plan.

These loans cover U.S. sales to India of such commodities as fertilizers, non-ferrous metals, steel, synthetic tire cord yarn, sulphur, carbon black, wood pulp, lubricants, synthetic rubber, other chemical materials, automobile component and spare parts, machine tools, compressors, rollers for steel plants, and other general purpose components. Initial discussions concerning the possibility of future American assistance to India's planned fourth steel plant at Bokaro are continuing.

### Competitive Bidding

A second avenue of trade is bidding in international competition on projects financed by the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

The combined assistance to be extended by those agencies to India during 1961-63 amounts to about $400 million.

IBRD loans to date under this commitment amount to $125.5 million for expanding the Indian coal industry and improving Indian railway and port facilities. Three loans, totaling $22.5 million, were announced by the IDA in March 1962 for Indian irrigation projects.

A third trade avenue is India's own purchases in various world markets.

First reports on India's import licensing policy for April 1962-March 1963, which introduces a new annual licensing feature, indicate that it will bar imports of all but the most essential development and maintenance goods.

To conserve foreign exchange, it also provides for a reduction in import quotas or a total ban on a wide range of chemical, medicinal, and machinery manufactures, most of which are now being produced in India for the first time.

### Import Curtailment

This sharp curtailment in imports of many manufactured goods illustrates why more American businessmen are finding it necessary to explore manufacture in India as a practical means of participating in India's industrial growth.

In some cases these businessmen, after a first-hand appraisal of new market conditions in India, are limiting their immediate action to strengthen their representation to take account of the fact that more import licenses (now 75%) are being granted to actual users rather than established importers.

This new policy places a premium on having aggressive agents who can effectively service hinterland as well as port areas.

In more cases, American businessmen are allying themselves with Indian firms which could serve as industrial partners or sales distributors when a decision is made to manufacture in India.

A growing number of American firms are plunging directly into joint ventures or licensing agreements in India. During 1961, 75 American companies received approval for their collaboration proposals. Consequently, American machinery and

know-how is being introduced into a widely-diversified range of Indian industries.

### Growing Competence

Apart from Indian market growth, which is providing justification for the establishment of many new industries, American investor interest is being encouraged by such factors as growing industrial competence in India's private sector, heavy local subscription to issues involving foreign collaboration, predominantly favorable experiences of American companies now operating in India, availability of large amounts of local currency "Cooley" Amendment funds for lending to American subsidiaries or affiliates, recent instances of American firms opening engineering offices in India, and new investment facilities being provided by the Indian Investment Centers in New Delhi and New York.

Another contributing factor is India's greater willingness to authorize separate compensation for technical assistance and know-how in addition to equity participation granted against the supply of machinery or foreign exchange by the foreign investor.

While the broad-based character of new American investment and licensing agreements concluded in 1961 is very encouraging, the total value of American private capital involved is unlikely to exceed the $25 million gain registered in 1960.

Many new investments are in less capital-intensive industries and the Indian Government is limiting American participation in many instances to minority control.

The surge in American investment would be even more impressive, except that large promising investment ventures are being delayed in the licensing process.

A few are foundering because of failure to conclude agreement on such provisions as the amount of equity control to be permitted to the foreign partner and the percentage of the Indian production to be made available for export.

Although prospects for further expansion of U.S. investment in India are generally good, licensing difficulties, power shortages, and raw material unavailability may continue to exercise a restraining force.

Our increasing importance as a supplier of manufactured goods and industrial raw materials to India is evidenced by the sale of $242 million in these categories in 1961 compared to $225 million in 1960 and the average of $176 million for the four years 1956-59.

Although our overall exports to India dropped sharply from the extraordinary level of $639.9 million in 1960 to $482.7 million in 1961, most of the decline was due to reduced shipments of surplus agricultural products.

The U.S. continued to rank as India's second principal export market in 1961, with our imports amounting to $254.8 million, a gain of $24.8 million over the previous year.

# Independent Kuwait Import-Minded; Industrial, Consumer Items Wanted

Independent less than a year, Kuwait is the largest oil producer in the Middle East and one of the world's top-ranking oil exporters.

It's population of 320,000 has an annual income from oil of $400 million, giving this formerly little-known Arab State on the Persian Gulf one of the highest per capita incomes in the world.

Since Kuwait must import practically all of its foodstuffs and manufactured goods, it is an especially import-minded area.

Kuwait's major supplier is the United Kingdom, followed closely by the U.S. Other important suppliers are Italy, Japan, West Germany, Belgium, the Netherlands, and Yugoslavia.

Kuwait offers an attractive market for a variety of industrial and consumer items. There is no import licensing and exchange is freely available; the customs tariff on all products is 4% except for liquor, which is dutiable at 50%.

Kuwait's growth is reflected in U.S. exports to the country. Negligible before World War II, U.S. exports to Kuwait were $2.5 million in 1946, the first year of commercial oil exploitation. They have grown steadily: 1947 ($11.8 million); 1956 ($31.5 million); 1960 ($40.5 million); and 1961's all time high, $56.4 million.

The main components of U.S. exports in 1961 were: cigarettes, milled rice, wheat flour, lubricating oils, iron and steel pipes and tubes, fabricated steel products, electrical machinery, household refrigerators, industrial machinery, construction and mining equipment, air-conditioning and refrigerating equipment, trucks, passenger cars, auto replacement parts, and fountain pens.

Formerly a small seaport which existed on pearling and trading, Kuwait—with one-fourth of the free world's reserves of crude oil—has grown into a bustling entrepot whose influence far exceeds its size.

Products which have exceptional sales potential in Kuwait include television sets, household appliances, air conditioners, building and plumbing supplies, oil field equipment, power generating equipment, irrigation equipment, motor vehicles, and fruit juices.

There is money in Kuwait, and with it, a desire for material change. The mud and coral structures of pre-development days are rapidly disappearing.

In their place are multi-storied modern office buildings, comfortable homes, wide paved streets, and new schools and hospitals offering free social services.

The largest water distillation plant in the world supplies the State's requirements of fresh water.

In 1960 a new seaport was opened and in February 1962, a new airport began operations.

# Growing Lebanon Is Varied Market

Lebanon's bustling economy continued to furnish one of the leading markets for consumption of American goods in the Near East during 1961.

The long term growth pattern of U.S. exports to Lebanon was maintained, as exports reached $45 million compared to $42.8 million in 1960.

Although U.S. sales in Lebanon are growing, the American percentage of this expanding market is declining.

Part of this failure to keep pace can be attributed to U.S. performance in the auto market, where the U.S. share has fallen to 12% from a high of 33% in 1955, due to the tendency of the expanding middle class to channel their limited incomes toward smaller and more economical European cars.

In the household appliance field, U.S. refrigerators, air conditioners, and TV sets are doing well. Superior quality has boosted sales of U.S. TV sets, despite competition from lower-priced European and Japanese products. Since the TV stations are expected to increase their programming in the coming year, the receiver market should continue to expand.

The largest components of U.S. trade with Lebanon are wheat and wheat flour, cigarettes, lubricating oils, electrical machinery and apparatus, household refrigerators, industrial machinery, air-conditioning equipment, automobiles, trucks and buses, medicinals and pharmaceuticals, and paints and varnishes.

### Small Business Grows

Although Lebanon's prosperity is basically dependent on trade and commerce, light industry continues to grow. A recently-released survey shows 3,744 factories employing 43,355 workers, involving total investment of $170 million.

Food and flavored drink plants lead the

listings with textiles third.

A new fruit juice factory was opened on February 15 on the outskirts of Beirut. Representing an investment of $350,000, the factory, equipped with Italian machinery, is currently canning about 40 tons of apple and orange juice a day for export to Arab countries.

On November 1 Lebanon's first steel mill went into operation and its ingots will be rolled into various semi-finished products.

An American-German group and Lebanese interests have agreed to build a chemical fertilizer plant.

### *Suburbia Spreads*

The "trend to the suburbs" has also come to Beirut. The major retail sales gains were registered in outlying shopping areas while the downtown markets suffered from traffic strangulation.

The Hotel Phoenicia, newest in the Intercontinental Hotel Corporation's growing chain, opened last December 23. A West Virginia manufacturer won the contract for glassware against worldwide competition. U.S. manufacturers, however, were not successful on the chinaware (German), the silver (French), and the linens (British).

The General Telephone and Electronics Corporation of New York City has established a regional office in Beirut to provide more direct telephone service with North Africa and the Near East.

The prospects for growth of U.S. sales in Lebanon are promising. The standard of living is rising steadily and a growing middle class provides a wider market for a variety of consumer products.

Although quality is recognized and appreciated, price will continue to be a significant competitive factor in consumer choice.

## Newest Chiefs Point Syria To Middle Path

The emerging economic policy of Syria, since its secession from the United Arab Republic on September 28, 1961, had been characterized by a gradual readoption of traditional principles of free enterprise and trade.

It appeared that the regime which fell on March 28 wanted to retain private initiative as a significant force in the economy.

The most recent government seems to be aiming at a middle ground between the nationalizing bent of the U.A.R. and traditional Syrian trade policies.

The economic program of the former regime has not been altered by the new government. It calls for revision of nationalizations instituted by the U.A.R., reconsideration of the development program in line with financial realities, reinstitution of a free exchange system, liberalization of trade controls and cautious reopening of the door to controlled foreign investment.

In line with these policies, a bill was passed on February 14 returning nationalized companies to private ownership. At the same time, ceilings were placed on the percentage of private ownership in large corporations.

Workers in certain industries were alloted 25% of the profits and given the opportunity to purchase shares. Legislation denationalizing the banks was under consideration.

### *Foreign Exchange Short*

Although it was the expressed policy of the regime to liberalize exchange and import controls, a shortage of foreign exchange brought on by 4 successive years of drought and poor harvests delayed action.

The promise of bumper crops this year raised hopes for a liberalizing of trade controls.

On November 21, the Ministry of Economy announced that import licenses for a variety of goods would be issued to importers able to pay for them in foreign exchange held outside of Syria.

Among the items listed were live animals, foods, fats, chocolate, building materials, paper, silk thread and textiles, used clothes, iron and steel bars, glass, copper, automotive and industrial spare parts, batteries, typewriters, and radios.

After December 14 the import of tires, tubes, glycerine, sesame seeds, glucose, portland and colored cement, typewriter ribbons, asbestos pipelines in accordance with existing import regulations was allowed.

These commodities were previously required to be imported from Egypt.

### *U.S. Shipments Down*

U.S. exports to Syria in 1961 dropped to $26.8 million from $37.7 million in 1960. The reduction was due primarily to smaller shipments of PL 480 wheat and wheat flour, coupled with a general tightening of Syrian import controls on manufactured goods.

Major categories of U.S. products shipped to Syria in 1961 (in thousands of dollars) were: wheat flour (7,204), wheat (6,850), barley (644), rubber manufactures (1,044), cigarettes (357), lubricating oils (674), tinplate (479), electrical machinery (1,115), industrial machinery (1,953), tractors (597), automotive spare parts (570), and medicinals and pharmaceuticals (700).

According to Syrian statistics for the January-September 1961 period, the U.S. was Syria's prime supplier. However, when PL 480 shipments are excluded the United States has only 10% of the Syrian market and drops to second place behind West Germany with 15%. Other primary non-Arab suppliers are the United Kingdom (9%), France (7%), Italy (6%), and the U.S.S.R. (4%).

The anticipated improvement in the Syrian payments position should allow her to absorb larger quantities of U.S. goods in 1962, especially in the industrial and automotive categories.

However, the American exporter's reliance on irrevocable letters of credit and his reluctance to match the terms offered by European and Japanese suppliers could shut him out of the expanding Syrian market.

## Local Controls, Red Rivalries Spice Iraq Plan

American business must cope with vigorous Communist-bloc competition as well as nationalistic laws governing foreign control of firms in order to participate in Iraq's new 5-Year Plan.

To date the requirement that all commercial companies be owned by Iraqi nationals or by companies having a majority of their shares in Iraqi hands has not seriously disturbed American investors, who traditionally seek out Iraqi firms or nationals to represent them.

The regulation exempts export agencies and those businesses whose management calls for special skills and experience lacked by the Iraqis.

Foreign-owned agencies which import motor vehicles, heavy equipment, industrial and agricultural machinery and motors were also given a 6-month grace period (expiring in May 1962) from its provisions. Agencies owned by non-Iraqi Arabs also receive separate treatment.

Despite these various exceptions, American firms are currently working on an impressive number of projects in Iraq.

The $73 million Derbendi-Khan Dam and the $16.8 million, 65,000 ton capacity grain silo in Basra, which were designed and built by American firms, were inaugurated in the fall of 1961.

The construction of Medical City, a major hospital complex, and the erection of a suspension bridge, both in Baghdad, are underway with American design and supervision.

### *Baghdad Expansion*

In the latter part of 1961, U.S. engineering firms became interested in design and supervision contracts for the Baghdad city expansion project and the cleaning and grading plant for the Gov-

ernment Tobacco Monopoly, as well as the installation of a thermal generating and two hydro-electric plants.

A licensing agreement to manufacture a soap product recently was concluded between a U.S. firm and a group of Iraqi industrialists. American investors are also considering joint ventures with Iraqi firms in the manufacture of telecommunication equipment, refrigerators, and soft drinks.

During 1961 there was a spurt of Soviet-bloc industrial activity in Iraq under the terms of the 1959 Soviet-Iraq Economic Assistance Agreement.

Soviet projects under study include the establishment of woolen textile, canning, garment and glass factories, fertilizer and steel plants, and a shipbuilding yard at Basra.

The Czechs have prepared studies on the installation of a hydro-electric station, sugar refinery and a slaughterhouse, while the Hungarians are constructing a pre-stressed concrete railway tie factory.

Despite this stepped-up competition, U.S. exports to Iraq in 1961 reached $37.4 million, a 1.3% increase over 1960. U.S. sales included grains and preparations, industrial and electrical machinery, motor vehicles and parts, air conditioning and refrigeration equipment, rubber manufactures, household refrigerators, pharmaceutical and chemical products.

U.S. imports from Iraq, mostly crude oil, raw wool and dates, also increased from $27.2 million in 1960 to $29.5 million in 1961.

Increased U.S. trade and licensing arrangements should result from Iraq's determination to expand industrially.

A demand for electrical appliances is also anticipated following the recent extension of the national electrical grid to four large urban areas.

The Government has announced a 5-year, $1.6 billion economic development plan, running from April 1, 1961 through March 31, 1966. The plan provides for 248 major projects, and envisions extensive private capital participation through internal loans and conversion of some projects into shareholding companies with private capital eligible for 49% of the shares in a given company. Resort to international lending agencies is another possibility.

Iraq's oil production in 1961 increased by 3% to 48 million long tons, and yielded the Government an income of $265 million.

The $280 million investment program undertaken by the Iraq Petroleum Company (IPC) in 1958 was rapidly nearing completion in December 1961.

This included the expansion of the Kirkuk pipeline facilities to the Mediterranean and the deep water loading terminal on the Persian Gulf.

A new relationship between Iraq and foreign oil companies began with the passage of Law No. 80 of December 1961, which deprived foreign oil companies of most of their concessionary territories in the country.

# Iran's Austerity Cuts Frills, Attracts Basic Investment

The outlook for U.S. trade with Iran in 1962 depends in large measure on the success of Iran's efforts to solve its financial difficulties and move ahead with plans for economic development.

In any event, limitations on importation of unnecessary and luxury goods are likely to continue for some time pending a significant improvement in the balance of payments position.

Inflationary pressures of recent years sparked an austerity stabilization program which continued into 1962. Internal credit controls are enforced by the Government while stringent tax and credit restrictions on imports curbed the decline in the nation's dwindling reserves of foreign exchange.

During 1961 the government expanded the list of prohibited goods, established a compulsory letter of credit system with high cash deposits for most imports, and created a list of almost 200 categories of nonessential goods, including passenger cars, radios, refrigerators, washing machines, cosmetics, and high-quality textiles, for which foreign exchange would not be granted.

### *Austerity Program*

The austerity program has slowed commercial activity, and many U.S. suppliers have found their access to the Iranian market significantly curtailed.

However, since restrictions are applied selectively to specified categories of consumer goods and items considered to be nonessential and nonproductive, the import channels remain relatively unobstructed for most production and construction items essential to the country's development program.

On the other hand, the new restrictions also resulted in sharpened competition among foreign suppliers for the available market, and U.S. suppliers stressing the quality of their products have found Iranian importers calling attention to the prices, credit, and service facilities offered by competitors.

Iranian figures covering the fiscal year ending March 20, 1961 indicate that 21% of Iran's imports came from West Germany. The U.S. was second with 18% and the United Kingdom third with 16%.

Total imports into Iran from all countries during the year amounted to $577 million, of which $141 million was for machinery and parts, and $79 million for iron and steel products.

### *U.S. Exports Down*

U.S. trade statistics show exports to Iran during calendar year 1961 valued at $91.9 million, a decrease of almost 22% from the 1960 figure of $117.3 million.

This overall reduction, reflecting the heightened restrictions on imports and tighter credit regulations instituted during 1961, was featured by a 30% decline in the value of U.S. machinery and vehicle exports—down from $66.5 million in 1960 to $42.5 million in 1961.

Other exports which dropped significantly included tires and tubes, metals and manufactures, and nonmetallic minerals.

A substantial increase in shipments of PL 480 agricultural commodities to Iran —wheat imports alone rose from $2.8 million in 1960 to $11.2 million in 1961— failed to make up for the declines in other exports.

U.S. imports from Iran, on the other hand, climbed to $61.4 million a 19% increase over the 1960 level of $51.3 million.

The increase was almost entirely the result of increased purchases of petroleum and products, which rose from $22.3 million in 1960 to $39 million in 1961.

Other Iranian imports, including raw hides and skins, nuts and preparations, and wool, registered almost uniform declines.

### *Expansion Possible*

In spite of the downward trend in U.S. exports to Iran in 1961, many American suppliers of developmental goods may be able to maintain and even expand their exports to this area in 1962.

Best opportunities should lie in the fields of construction equipment, industrial plants and equipment, chemicals and agricultural and transportation equipment. There should also be a continuing demand for U.S. engineering and technical services.

U.S. suppliers will benefit significantly from the limited procurement aspect of most forms of U.S. aid to Iran, but there will be strong competition for other, non-aid financed business.

Although U.S. products enjoy a generally good reputation in this market, it is sometimes offset by price, credit, delivery, and other factors.

Unlike many leading European and

Japanese manufacturing concerns, few U.S. firms maintain substantial facilities and permanent staffs in Tehran. Most thus have poorer knowledge of the local market, are denied close and direct contact with local buyers, and are in a less advantageous position to provide specifications, manufacturer's know-how, and on-the-spot servicing facilities.

While the new import regulations covering the year beginning March 21, 1962, continue restrictions against nonessential imports, development plans call for imports of essential goods relating to various projects.

These plans will be financed largely by foreign aid, including U.S. assistance, and substantial oil revenues which amounted to $294 million in 1961.

Iran's continuing balance of payments problem means that restrictions will continue on most lines of nonessential and consumer goods, which may encourage foreign investors to participate in local manufacturing and licensing arrangements.

### *Capital Goods Needs*

The implementation of the final stages of Iran's Second 7-Year Development Plan (1955-1962) and inauguration of the Third Plan should stimulate a demand for imports of capital goods related to development projects.

Both plans will be helped by U.S. economic assistance.

In February, the U.S. Agency for International Development (AID) granted a $14 million loan to help finance the cash needs of the Second 7-Year Program which is scheduled to end in September 1962.

A second loan of $6 million also was granted by the same agency to help finance the completion of a new highway linking the Persian Gulf to the Caspian Sea.

In addition, a PL 480 agreement was signed in January calling for shipment of 100,000 tons of wheat with sales value of $7.5 million. Some 70% of the local currency proceeds will be made available for development loans, while an additional 5% will be made available under the Cooley amendment, for loans to private U.S. and Iranian investors.

The Third 7-Year Plan, beginning in September, calls for public expenditures totaling $2.5 billion over a 5½ year period (September 1962-March 1968).

The plan is designed to bring about a 6% annual increase in Iran's gross national product.

# *Egyptian Trade Picture Brightens As Nasser Increases Western Ties*

New opportunities are opening for U.S. business in Egypt.

The Government is attempting to reduce the country's economic dependence on the Soviet Union by:

- Combing more Western markets for its cotton.
- Buying more capital goods from the West for its expanding industry.
- Encouraging more joint ventures or licensing arrangements from the U.S. and other industrial countries.

**Undoubtedly, the most immediate economic issue confronting the country is the difficult foreign exchange problem which resulted from the 1961-62 cotton, rice, and other staple crop failures.**

Continually stringent over the past few years, Egypt's foreign exchange holdings, excluding gold, dropped to a precarious $17.7 million by the end of December from $40.7 million in mid-October.

To help meet the strain of foreign exchange payments on fixed obligations due at the end of the year, including the Suez Canal and Sudanese compensation installments, Egypt was authorized a $22.4 million drawing by the International Monetary Fund.

To protect the value of the Egyptian pound in international transactions, a series of decrees were issued on December 30, prohibiting the import and export of Egyptian banknotes, effective January 1, and establishing a 20% foreign exchange premium on most imports.

The State monopoly on import trade restricts imports into the country to selected partly or wholly Government-owned companies.

Factories and Government departments are authorized to import directly commodities for their own use.

Only governmental companies or those companies becoming government controlled with at least 25% government participation may hold exclusive agencies.

**U.S. firms desiring to do business with Egypt will have to adjust to the country's present state trading policies.**

They will have to make offers directly to government-owned or controlled organizations and industries which will accept large orders of specific commodities on a yearly basis instead of the conventional trial orders and repeat business during the year.

Extended credit facilities and willingness to accept Egyptian currency or goods in payment will be overriding considerations.

### *New Customs Tariff*

Effective January 1, a new tariff schedule completely revised the old customs tariff by introducing the Brussels Nomenclature in the classification and description of items; it supplants the previous complex multi-column tariff by a single column ad valorem rate.

Comparing the old combined rates with the new ad valorem rate, no substantial change has been made.

**The new tariff nomenclature does not affect the U.S. competitive position. Purchases for Government agencies and factories are generally made by contract award on a c.i.f. basis with the purchaser paying the tariff.**

Following Syria's secession from the United Arab Republic in September, the Government emphasized that from now on it intends to focus full attention on the economic and social reform of the country.

Solutions were still being sought for the fundamental problem of restoring sufficient balance in the domestic and foreign economy to forestall a permanent slackening in the pace of the developmental effort and to permit the continued maintenance of a viable growth pattern.

During the last quarter of 1961, U.S. firms won contracts for the supply of insecticides worth $6.2 million, and for automatic sprayers, $1 million; they concluded licensing arrangements for the local manufacture of pharmaceuticals and irrigation equipment.

In January, a U.S. firm was given a contract to build and install a 1,000-kilowatt radio transmitter in Alexandria within 1 year at a cost of $1,250,000.

### *Trade with U.S. Increases*

The U.S. has been Egypt's principal supplier since 1959 and sales of U.S. commodities have shown a marked upswing since then.

In 1961, U.S. exports rose to $161.8 million from $150.6 million in 1960 and $107.1 million in 1959.

Major U.S. exports were agricultural surpluses, principally wheat, flour, and corn.

Other important commodities exported were motor vehicles and parts, industrial and power generating machinery, telecommunications equipment, pharmaceuticals and chemicals, electrical appliances, tinplate, iron and steel manufactures, tobacco, vegetable oils and fats, and petroleum products.

Other major suppliers in 1961 were the Soviet Union, the United Kingdom, West Germany, Italy, Czechoslovakia, and East Germany.

U.S. imports from Egypt have also shown an upward trend since 1959.

Imports rose from $16.7 million that year to $31.6 million in 1960, and $34.2 million in 1961.

Major U.S. imports were raw cotton, cotton textiles and yarns, manganese ore, phosphate of lime, frozen and preserved fish products, raw hides and skins, beeswax, and handicraft items.

U.S. aid continues to play an important role in meeting Egypt's basic food and feed shortages under PL 480 assistance.

Since September 1961 the United States has agreed to supply 1.1 million metric tons of wheat and flour, 100,000 metric tons of yellow corn, and 50,000 metric tons of vegetable oils to meet Egypt's requirements during the 1961-62 season.

In December, under special PL 480 provisions, the U.S. Agency for International Development (AID) approved the shipment of 200,000 metric tons of yellow corn for free distribution to needy farmers affected by the crop failures during the last 6 months of 1961.

### *Industry Expands*

Industrialization has expanded rapidly since World War II. Principal industries are textiles, food and tobacco processing, cement, iron and steel, leather, other light industry, and motion pictures. Industries of growing importance are petroleum and chemicals.

**Egypt's second 5-year plan, which runs from July 1, 1960, to June 30, 1965, calls for establishment of 733 projects, mostly industrial, at a total cost of $1.7 billion. These projects are in addition to the 105 projects under the first plan, valued at $239.6 million.**

Contracts already signed with various firms abroad amounted to $449.1 million covering 306 industrial projects. Of these projects, 215 have been contracted with Western countries and 91 with the Soviet bloc at a cost of $285 million and $164.1 million, respectively.

**While capital for most of the industrial investments for the current 5-year plan will be obtained from or invested by the Government, a substantial portion is left for private domestic investment.**

Some private foreign equity investment is also anticipated, but most foreign participation will be contractual or in the form of loans.

Total industrial investments during the first year (1960-61) of the 5-year plan came to $203.7 million involving 90 scheduled projects which have started operation.

# Sales Seen Remaining At High Level in Turkey

U.S. exports to Turkey in 1961 —the largest single share of the market—rose by almost $16 million, or 13.5%, over 1960.

Sales in 1962 are expected to remain at a fairly high level as Turkey seeks to emerge from a prolonged period of economic listlessness and political uncertainty and begins implementation of long-delayed public and private development plans.

Additional interest by U.S. investors seems likely in the coming months.

Turkey continues to conserve foreign exchange by heavy reliance upon restrictions aimed at curtailing nonessential and luxury imports.

U.S. export opportunities therefore seem brightest in such lines as chemicals, and electrical, industrial, and agricultural machinery and equipment and spares.

While Turkey is an attractive market for a great variety of manufactured products, competition is tight and the foreign-exchange outlook suggests that more of this demand will be met through local manufacturing or assembly operations, with or without foreign participation.

Several U.S. firms, motivated by the shortage of foreign exchange and the special marketing consideration for companies with local manufacturing facilities, are planning to establish plants in Turkey.

### *Trade Increases*

Total Turkish foreign trade in 1961 was significantly higher than in 1960. Imports, at $506 million, were almost 9% above the 1960 figure of $465 million.

Exports increased from $320.8 million in 1960 to $347 million in 1961.

The overall increase in imports reflected an increased dependence on agricultural commodities as droughts in certain areas intensified an existing food-grain shortage.

Imports of other important categories of goods dropped, reflecting the stagnant market and tight money situation.

High sales of such major export items as tobacco ($87 million), cotton ($56 million), and hazel nuts ($42 million) were mainly responsible for the export rise. The 1962 export estimate of $325 million is lower because some sales of tobacco scheduled for 1962 were moved up to 1961.

The U.S. captured a substantial portion of the Turkish market in 1961, supplying almost 23% of Turkey's total imports in the first 10 months of the year, compared with about 20% in 1960.

West Germany's share was 18%; while the United Kingdom accounted for 14.2%; Italy, 8.7%; and France, 3.9%.

U.S. exports to Turkey rose from $124.8 million in 1960 to $141.7 million in 1961, U.S. Bureau of the Census figures show. The jump was due to much larger shipments of wheat, $60 million compared to $26 million in 1960, under the PL 480 agricultural surplus program, since exports of many other items fell markedly.

For example, U.S. exports of machinery and vehicles slipped by more than $20 million—from $62.2 million in 1960 to under $40 million in 1961—but exports of chemical products rose from the 1960 figure of $4.4 million to $7.6 million.

The U.S. was Turkey's leading market in 1961, taking some 17% of its total exports.

The value of U.S. imports from Turkey in 1961 attained a level of $74.9 million, compared with $60.2 million in 1960. Leading commodities included tobacco, $48.8 million; nuts, $4.2 million; and chrome ore and chromite, $3.9 million.

The 1962 import level for Turkey, authorized in January, set imports at $560 million, or 10% higher than actual imports in 1961 (FCW, Jan. 29, p. 175). Few changes were made in the commodity composition of the new import program.

### *Seeks EEC Membership*

Turkey continues to seek entrance into the European Common Market, hopeful of obtaining preferential treatment and financial aid from the EEC countries until able to assume reciprocal obligations.

Over the next few years, the ceiling for imports from the U.S. will be substantially influenced by the amount of U.S. economic aid, including sales of surplus agricultural commodities, Export-Import Bank loans, and direct American investments.

Various forms of U.S. aid during 1961 totaled almost $303 million, including grants to finance imports, $73 million; technical assistance, $4.3 million; PL 480 agricultural commodities, $96 million; and an AID loan of $129.6 million as partial financing for a new steel mill.

U.S. investment projects farthest along include two tire plants in the Izmir area east of Istanbul, a pharmaceutical plant, and a truck and automotive assembly plant which will include the manufacture of diesel engines. A nylon plant also is planned.

### *Return to Civil Control*

The Turkish economy failed to receive a boost from the return of the Government to civilian rule late in 1961. Trade and investment activity generally remained dull in early 1962 as consumers held onto cash balances and firms refrained from nonessential outlays.

Price remained relatively firm. However, the new Government seemed intent upon working for economic and political stability.

As a result of Turkey's unfavorable

trade balance and debt service requirement, an unfavorable balance of payments on current account once again was recorded in 1961.

In March 1962, in order to assist Turkey in closing this gap and to bolster the country's stabilization program, the Organization for Economic Cooperation and Development (OECD) extended a $45 million credit from the European Monetary Fund, while the IMF entered into a stand-by arrangement authorizing the Turks to draw up to the equivalent of $31 million until December 31, 1962.

Of a total of $37.5 million provided under a similar arrangement last year, only $16 million was drawn.

Also in March, a three-man committee of experts from the North Atlantic Treaty Organization was carrying on discussions with Turkish officials in connection with the extension of NATO financial support of the country's economic development plan.

The State Planning Organization has continued to work out the details of its 15-year comprehensive program for economic development.

The first 5-year plan will start in 1963 with priorities to be given to investment in sectors where production will help relieve the balance of payments deficits.

The plans set a target of an annual 7% increase in the gross national product. Achievement of this target will require a sound and intensive utilization of Turkish domestic resources and an average annual investment of 18% of the gross national product, with 14% of this to come from domestic savings and the remainder from external sources.

Because of its own financial limitations, the Government hopes for substantial investment by both Turkish and foreign private enterprise.

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***New Agreement Signed***

# Pakistan Planners Seeking U.S. Help

U.S. trade with Pakistan may substantially grow over the next few years. Continued American assistance to help meet Pakistan's rising requirements for capital goods and raw materials, needed to implement the Second 5-Year Plan and the Indus Basin Development Project, should result in greater sales of a wide range of essential goods and services.

U.S. export chances are enhanced because of the recently-concluded $621.6 million PL 480 surplus agricultural commodity agreement, prospects for additional AID development loans emphasizing procurement in the U.S., and the utilization of Export-Import Bank loans and credits for U.S. goods and services.

### *Seeks Capital from Abroad*

Pakistan has continued to seek private capital from abroad.

The climate for foreign investors was further improved last year, as the existing tax holiday for certain new industries in undeveloped areas was extended to 8 years, the import licensing policy for a large number of industries was relaxed, and the duty on machinery and equipment imported into East Pakistan was reduced from 12½% to 7½%.

In addition, coverage under the U.S. Investment Guaranty Agreement with Pakistan was extended.

Total U.S. exports to Pakistan were valued at $195.2 million in 1961, an increase of 16.1% over the $168.2 million shipped in 1960.

Exports of PL 480 surplus agricultural commodities continue to make up a large portion of total U.S. exports to Pakistan.

Of the other Pakistan imports, the largest increase was registered in shipments of iron and steel mill products, which rose from $3.1 millition to $28.2 million. Most other exports to Pakistan also showed increases.

U.S. exports which declined in value in 1961 were automobiles, parts and accessories, medicinal and pharmaceutical products, and machinery.

In order to increase production, reduce price, and step up eventual export earnings, the Pakistan Government extended its liberalized import policy, particularly in the case of industrial requirements, for the January-June 1962 shippin period.

U.S. 1961 imports from Pakistan amounted to $37 million, a slight increase over the $36 million purchased in the preceding year. Imports of carpet wool showed the largest increase.

A U.S. Department of Commerce Investment Development Mission which visited Pakistan in November and December found much interest in U.S. industrial equipment, especially in the cement, glass, sugar, clay, food processing, and petrochemical fields.

### *Seek Joint Ventures*

Because of inability to obtain the needed foreign exchange for the purchase of such equipment, many Pakistani businessmen are interested in entering into joint venture arrangements with American firms. The Mission also found many opportunities for American consulting engineers.

Late in 1961, a contract for the establishment of Pakistan's first steel mill, costing $136.5 million, and 2 construction projects connected with the Indus Basin Works Project were awarded to American firms.

The contract for the construction of the vast Mangla Dam was estimated about $355 million and that for construction of the Trimmu-Sidhnai Link Canal, $25.5 million.

In October 1961, a record 4-year, PL 480 surplus agricultural commodity agreement was concluded, providing for the purchase by Pakistan of $621.6 million worth of commodities. Five percent of the rupees resulting from the sale of the surplus commodities are to be utilized for loans to private enterprise through the Agency for International Development (AID).

Members of a World Bank sponsored consortium, set up to assist in financing Pakistan's development program, in January endorsed Pakistan's estimate of $945 million as the amount of foreign aid required for the second and third year of the country's second 5-year plan.

Of the total of $945 million committted, the U.S. offered $500 million; the World Bank and International Development Association (IDA), $209.4 million; Germany, $80 million; the United Kingdom, $47.6 million; Japan, $45 million; Canada, $38 million; and France, $25 million.

### *Payments Deficit*

Pakistan incurred a deficit of $20.4 million in its balance of payments on current account in the July-September 1961 period, compared with a deficit of $9.3 million in the corresponding period of 1960.

Pakistan's main export commodities usually move at a much higher rate in the first and last quarters of the year and final foreign exchange earnings figures were expected to show an increase in October-December.

A slight surplus may even have been attained for the quarter, although not on the order of the $8.6 million balance registered in the last quarter of 1960.

Pakistan's gold dollar, and sterling reserves dropped from $257.3 million at the end of June to $220.9 million at the end of October.

The tempo of industrial activity, which had picked up remarkably in 1960, gained fresh momentum during 1961, reflecting a more effective utilization of existing facilities and an expanded volume of investment, both domestic and foreign.

The progressive liberalization of im-

ports, the continuance of the export bonus scheme, and enlarged credit facilities enabled most industries to step up production.

### Private Investment

The Government's hopes for industrial development by the private sector during the Second 5-Year Plan have been more than fulfilled. Of a planned private sector investment of $598.5 million for the entire 5 years, more than half, $310.8 million, had been invested in the first 15 months (July 1960-September 1961), leaving only $287.7 million for the remaining plan period.

Several industrial plants, including East Pakistan's first fertilizer factory, were completed or under construction in Pakistan during the year.

A natural gas fertilizer factory, located at Multan, West Pakistan, is expected to be completed shortly. A 100,000 ton steel mill, estimated to cost $28 million, is to be established at Chittagong. At year's end, negotiations were being completed for the sale of 2 Indian-owned cement plants in West Pakistan to a three-party group including an American firm.

The U.S. company would add a $10 million kiln to each of the plants.

The International Finance Corporation and the Pakistan Industrial Credit and Investment Corporation loaned a local firm $7 million for the construction and operation of a 400,000-ton cement plant in West Pakistan.

Other foreign investments in 1961 included German participation in a new tractor plant and Japanese cooperation in an auto-rickshaw assembly plant, a transistor factory and an electric bulb plant.

## Devaluation Helps

# Israel Eases Import Curbs To Expand Rising Trade

Israel, with a high rate of industrial development, and a continued substantial trade with the U.S., offers attractive oportunities for a further expansion of U.S. trade and investment.

The U.S. maintained its role as Israel's leading supplier in 1961, with exports valued at $146 million, a 16.1% increase over 1960.

This record level of exports was largely the result of increased sales of electrical machinery, which rose from $2.4 million to $8.5 million; industrial machinery, from $12.5 to $14.9 million; new passenger cars and chassis, from $1.1 to $1.8 million; tractors, parts, and accessories from $2.1 to $2.7 million; and rubber manufactures from $1.4 to $1.8 million.

Sales of grains and preparations under PL 480 declined from $33.7 million in 1960 to $30.7 million in 1961.

U.S. trade has been particularly stimulated by a $27.5-million loan from the IBRD for improvement of the Ports of Eilat and Ashdod, and by a $10-million loan from AID to finance imports of capital goods and services from the U.S.

Israel continued to have a substantial market in the U.S. in 1961, as imports increased 19.4% to $32.6 million from $27.3 million in 1960.

This all-time high value of U.S. imports was largely dependent upon increased purchases of cut diamonds, which rose from $17.5 million to $22 million.

Other significant imports were raincoats, $2 million; printed matter, $.8 million; and sugar candy, $.6 million.

### Industrial Growth Marked

Israel enjoys a high rate of industrial development as a result of the inflow of large foreign-capital investments and international loans.

Israel's industrial expansion program was backed by an estimated foreign-capital investment of $90 million in 1961, compared with $105 million in 1960; and foreign-exchange holdings increased from $267.4 million in 1960 to $358 million in 1961.

### Active Investors

American firms have actively invested in plants manufacturing fiberglas and other glass products, dichloroethane, carbon black, air-conditioning units, precision instruments and dynamometers, television equipment, balers, and farm tractors.

A continued substantial trade between the United States and Israel is anticipated to result from successful tariff negotiations concluded between the 2 countries in late 1961, the forthcoming visit of a 5-man U.S. Trade and Investment Development Mission, and the display of a U.S. Agricultural Exhibit at Israel's Near East International Trade Fair in June.

Attractive opportunities for U.S. trade and investment are expected to continue in the chemical, electronics, metal, machinery, and automotive industries.

### Monetary Reforms

To stabilize its economy and to become more competitive in world markets, Israel on February 9 took the following steps:

1. Devalued its currency from I£1.8 to I£3 to the U.S. dollar.
2. Unified its hitherto complicated multiple rate of exchange system.
3. Abolished or reduced import duties on raw materials and capital equipment.

The effect of Israel's recent monetary reforms on future U.S. exports will largely hinge on measures to be taken by that country to combat inflation.

**IN KUWAIT: Oil revenues helped build modern downtown Kuwait.**

# African Trade Outlook Mixed; Grain Sales Pad 1961 Figures

By Kenneth L. Fernandez

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Although 1961 U.S. exports to Africa showed an encouraging rise of 7.6% over the preceding year ($664.9 million in exports as compared with $614.5 million in 1960), most of the growth represented the value of assistance shipments made under the "Food for Peace" program.

These shipments went mainly to North African Countries, with a result that this region of Africa registered especially sharp increases in the level of imports from the U.S.

Offsetting these gains was the poorer performance in U.S. sales to the major market in Southern Africa, accounted for largely by the Republic of South Africa.

However, encouraging gains were made in the other markets in inter-tropical Africa, reflecting continued economic developments in these areas.

The U.S. performance in Africa showed mixed trends on a regional basis in contrast to the sustained and dramatic increase in all regions in 1960.

Continued economic growth can be expected in the African market, with greater competition on the part of major producing countries.

United States Exports to and Imports From Africa, by Country, Annual 1959, 1960, 1961
(Thousands of dollars)

| Area and Country | Exports, including reexports[1] Annual | | | General imports Annual | | |
|---|---|---|---|---|---|---|
| | 1959 | 1960 | 1961 | 1959 | 1960 | 1961 |
| Total Africa | 691,280 | 765,415 | 826,819 | 588,904 | 534,959 | 582,585 |
| Percent of U. S. Total | 4.3 | 4.1 | 4.3 | 3.9 | 3.7 | 4.0 |
| United Arab Republic (Egypt Region) | 107,119 | 150,610 | 161,874 | 16,784 | 31,619 | 34,229 |
| Vessels transferred to Liberian Registry | 78,641 | 291 | | | | |
| Total, excluding above | 505,520 | 614,514 | 664,945 | 572,120 | 503,340 | 548,356 |
| Percent of U. S. Total | 3.2 | 3.3 | 3.5 | 3.8 | 3.4 | 3.8 |
| North Africa and the Horn, total | 130,253 | 152,408 | 218,855 | 37,299 | 47,453 | 50,309 |
| Morocco | 39,590 | 34,127 | 65,989 | 10,352 | 10,445 | 11,347 |
| Algeria | 28,129 | 23,728 | 42,116 | 1,141 | 1,372 | 259 |
| Tunisia | 9,340 | 21,252 | 39,512 | 2,648 | 435 | 683 |
| Libya | 31,852 | 41,939 | 30,308 | 243 | 321 | 457 |
| Sudan | 2,516 | 6,549 | 11,601 | 5,402 | 5,442 | 5,099 |
| Somali Republic | 886 | 837 | 1,063 | 1,067 | 800 | 436 |
| French Somaliland | 786 | 850 | 794 | 394 | 533 | 248 |
| Ethiopia | 9,768 | 7,334 | 10,892 | 15,542 | 26,964 | 31,406 |
| Canary Islands | 5,953 | 13,350 | 11,878 | 402 | 67 | 174 |
| Spanish Africa, n.e.c. | 1,451 | 2,442 | 4,702 | 108 | 1,074 | 200 |
| Middle Africa, total | 125,349 | 148,714 | 184,158 | 343,402 | 300,426 | 329,007 |
| Cameroun | 3,236 | 3,293 | 4,119 | 9,674 | 6,766 | 6,196 |
| Western Equatorial Africa, n.e.c. (former French Equatorial Africa) | 7,677 | 7,401 | 7,626 | 3,756 | 1,729 | 1,713 |
| Western Africa, n.e.c. (former French West Africa and Republic of Togo) | 15,292 | 14,922 | 19,917 | 25,489 | 26,491 | 35,872 |
| Ghana | 13,107 | 17,025 | 21,163 | 64,126 | 52,491 | 74,749 |
| Nigeria (and Cameroons) | 17,942 | 25,512 | 26,779 | 32,410 | 39,876 | 49,073 |
| British West Africa, n.e.c. | 1,780 | 2,249 | 3,027 | 3,125 | 3,389 | 4,547 |
| Madeira Islands | 766 | 884 | 879 | 2,965 | 2,916 | 2,214 |
| Liberia (excluding vessels transferred to Liberian registry) | 22,236 | 35,782 | 49,634 | 42,086 | 39,423 | 31,847 |
| Seychelles and dependencies | 58 | 98 | 38 | 129 | 68 | 90 |
| Mauritius and dependencies | 978 | 1,068 | 735 | 18 | 8 | 846 |
| British East Africa (Kenya, Uganda, Tanganyika, and Zanzibar) | 8,601 | 11,580 | 18,872 | 40,856 | 45,588 | 52,430 |
| Republic of the Congo (formerly Belgian Congo)[2] | 30,874 | 26,407 | 29,475 | 107,064 | 68,272 | 55,932 |
| Malagasy Republic | 2,802 | 2,493 | 1,894 | 11,704 | 13,409 | 13,498 |
| Southern Africa, total | 249,899 | 313,392 | 261,932 | 191,419 | 155,348 | 169,041 |
| Angola | 10,599 | 10,571 | 9,773 | 31,585 | 25,787 | 28,037 |
| Mozambique | 7,517 | 9,903 | 9,995 | 3,614 | 4,634 | 5,373 |
| Western Portuguese Africa, n.e.c. | 821 | 969 | 432 | 1,914 | 597 | 2,964 |
| Rhodesia and Nyasaland, Federation of | 10,241 | 14,636 | 13,649 | 37,175 | 16,446 | 10,279 |
| Republic of South Africa[3] | 220,721 | 277,313 | 228,083 | 117,131 | 107,884 | 122,388 |

[1] Data exclude "special category" exports and percentages are based on U. S. totals, excluding "special category". [2] Includes Ruanda-Urundi. [3] South-West Africa and British High Commission Territories of Bechuanaland, Basutoland, Swaziland are included. n.e.c. Not elsewhere classified.

### *Exports by Region*

On a regional basis, U.S. sales to North Africa and the Horn ($218.9 million) and to Middle Africa ($184.2 million) rose 30.4 and 19.2% respectively, while falling 16.4% in Southern Africa ($261.9 million) as shown in the accompanying table.

In North Africa and the Horn, the predominant feature in U.S. trade was a $69.5 million jump in our shipments of grains and food preparations, mostly wheat and barley, to Morocco, Algeria and Tunisia, pushing our sales to these three areas up 46.4%.

The largest part of these export gains was due to the "Food for Peace" program.

U.S. assistance did much to alleviate severe local shortages resulting from a prolonged drought.

In Sudan and Ethiopia, an accelerating pace of economic development and the accompaning need for machinery, road-building equipment and other capital equipment bolstered U.S. sales.

On the other hand, as Libya moved from oil exploration to oil production, the need for new machinery, iron and steel and metal manufactures and other capital goods slackened, and as a result, our sales in 1961 fell from a record high of $41.9 million to $39.5 million.

In Middle Africa the increased movement of U.S. goods was a more general one. Again U.S. aid programs played a role, but the primary factor here was the growing need of developing countries for capital equipment such as machinery,

trucks, tractors, railway and electrical equipment.

The development of three new projects for the exploitation of Liberia's iron ore resources boosted sales to that area to $49.6 million, up 27.9%.

The hike in shipments to British East Africa to $18.9 from $11.6 million undoubtedly reflected a growing realization by exporters of American consumer goods that this market is no longer restricted to the sterling area.

In Southern Africa stricter import controls and a general recession, which has dominated the scene, substantially reduced imports.

U.S. 1961 sales amounted to $228.1 million, down 17.8% from 1960.

This $49.2 million reduction was due principally to decreased exports of automobiles and parts, iron and steel and metal manufactures, aircraft, railway equipment, machinery, wood and paper products and chemicals.

The Federation of Rhodesia and Nyasaland, unlike the Republic and the Portuguese areas, had no trade restrictions, but the recessed state of the economy resulted in a shrinking demand for capital goods.

### *American Imports Growing*

Total U.S. purchases from Africa were valued at $548.4 million in 1961, an 8.2% rise.

Regionally, goods bought from North Africa and the Horn were valued at $50.3 million, an increase of 5.7%; at $329 million from Middle Africa, up 8.7%; and from Southern Africa at $169 million, up 8.1%.

A booming market in the U.S. for African coffee, cocoa and wool, as contrasted to sharp drops in demand for crude rubber, and nonferrous ores and metals (primarily copper), told the story of U.S. imports from Africa for 1961.

The improved trading position of Ethiopia and British East Africa was due largely to their important shipments of coffee. Ghana and Nigeria owed their gains to higher U.S. purchases of cocoa, while Western Africa expanded the sales of these two commodities.

A rise in the demand for unmanufactured wool contributed heavily to the Republic of South Africa's progress, while a 30% reduction in rubber prices adversely affected Liberia's trading position.

The Federation of Rhodesia and Nyasaland shifted its copper exports to markets in Europe.

Opportunities for investment in Africa vary considerably from one area to another, from attractive to risky.

U.S. firms made several significant investments in Africa in 1961, among them a new $4.2 million automobile assembly plant in the Federation of Rhodesia and investments and expenditures of $120-150 million by U.S. petroleum companies in Libya.

The latter went primarily for construction of pipelines, storage facilities and port installations.

Elsewhere, the Ralph M. Parsons Company is investing about $17 million in Eritrea, Ethiopia, for the development of a potash mining concession, and the International Minerals and Chemical Corporation $1.11 million in phosphate mining in Senegal.

On the whole, however, the picture was one of a cautious "wait and see" attitude.

The newly independent countries of Africa are anxious to attract private foreign capital to finance the growth of their economies. However, in a number of countries foreign companies have postponed their investment projects, apparently preferring to await more stable investment conditions.

Overall, the future looks reasonably bright for U.S.-African trade.

The burgeoning economies and rising living standards of awakening Africa will see a progressive rise in the demand for American goods.

As Africa's people continue to enter a modern cash economy with its attendant wants and needs, opportunities will increase for the sale of a wide range of American products.

# Growing Libyan Oil Boom Influences U.S. Traders

U.S. exports to Libya in 1961 totaled $30.3 million, a drop of $10.5 million, or 27.5%, from the 1960 record level of $41.8 million, according to U.S. statistics.

On the other hand, while U.S. imports from Libya rose considerably, they still remained relatively unimportant, totaling only $457,000.

The decline in U.S. shipments is regarded as a temporary phenomenon because improving economic conditions, supplemented by the receipt of oil royalties for the first time, are expected to provide a much larger market for U.S. products in the future.

### *Changes in Import Pattern*

The latest available Libyan statistics, limited to the first six months of 1961, showed total global imports for January-June of $73.9 million, compared to $78.1 million in 1960.

These statistics reveal also that the reduction of Libyan imports was concentrated in a limited group of commodities used almost exclusively by petroleum exploration companies.

Particularly heavy declines dogged imports of: trucks and trailers; prefabricated buildings; automobiles and automotive parts; drilling machines; and explosives.

This downward trend reflects major shifts in Libya's trade pattern—and affects over 50% of U.S. commodity exports to the Libyan market.

The salient economic achievement in 1961 was the transition from oil exploration to oil production as Libya's first exports of crude oil began in the autumn.

This change had no adverse effects on other U.S. exports—foodstuffs, beverages, tobacco products, fuels, chemicals, manufactured goods—which actually increased during the first half of 1961, reaching a total value of $5.2 million.

### *Future Outlook Optimistic*

Despite the 1961 drop in U.S. exports, economic developments favor prospects for expanded trade with Libya in the long run.

The availability of substantial oil royalty revenues is expected to provide the impetus for a greatly accelerated domestic development program.

According to Libyan Development Council announcements, primary emphasis will be placed on agricultural projects, the creation of new industrial plants, and the establishment of a fishing industry.

From all present indications a growing market exists for the following American products: agricultural equipment and implements; pumps and pipes for irrigation use; agricultural insecticides; fertilizers; electrical machines and appliances; diesel engines; lumber and plywood; plumbing and sanitary fixtures; paints and varnishes; wearing apparel; fabrics; footwear; canned meat products; preserved dairy products; wheat and wheat flour; rice; pharmaceuticals; medical, hospital, and laboratory equipment and supplies.

### *Increasing Competition Expected*

For the past four years the U.S., Italy, and the United Kingdom have been providing about 64% of Libya's total imports between them in a more or less equal ratio.

The first half of 1961 saw the pattern unchanged, but also noted the continued expansion of imports from West Germany, which contributed 13.6% of the total as against 1960's 11.8%.

Libya has become a much more attrac-

tive market and is receiving more careful scrutiny by exporters and potential investors from the Near East as well as Europe.

It has been observed that enterprising exporters have introduced relatively new trading methodologies and are devoting increasing attention to training Libyan agents in new selling techniques or providing them with expert technical advice on servicing or marketing procedures.

It is thus important for U.S. traders to be prepared for intensive competition.

### *Investment Climate Mixed*

Expenditures and investments of American oil companies in Libya are estimated at between $400 and $500 million during the past 6 years, but the investment climate for other industries remained unfavorable.

The oil company investments are protected by the Petroleum Law, but where other enterprises are concerned, the existing legislation appears to be inadequate.

Although a Foreign Capital Investment Law was promulgated in January 1958, so far not a single foreign firm (petroleum companies excepted) has taken advantage of this law. Libya does not have an investment guarantee agreement with the U.S.

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***Tied to U.S. Goods***

# *Loan Helps Nigeria Plan For Economic Takeoff*

The major economic news in Nigeria during the past year was the introduction and publication of a $1.8 billion 6-year development plan.

Important contributions toward the development of the plan were made by the visits during the year of two U.S. economic missions who worked with the Government of Nigeria in assessing its requirements and resources for more rapid economic and industrial growth.

**Prospects for increased U.S. trade with Nigeria hold considerably more promise with the advent of the Plan.**

As partial financing, the U.S. Government has granted a $225 million loan, a substantial part being tied to U.S. procurement.

This loan is the total of the U.S. aid for the development program presently envisaged over a 6-year period and is subject to annual appropriations of the Congress.

The plan emphasizes industrialization and economic development with financing from both public and private sources. It is hoped that approximately $560 million will be developed from foreign sources.

### *Agricultural Economy*

Nigeria has a relatively large and fairly well-developed agricultural economy.

It grows the bulk of its own food, and produces roughly one-third of world exports of palm oil and groundnuts and one-half those of palm kernels.

The country also accounts for more than one-seventh of the world's supply of raw cocoa, about 90% of its columbite and about 5% of its tin.

Though the country's export receipts are susceptible both to local variations in weather and in world prices for its cash crops, the effect of this on Nigeria's international payments position is tempered both by the diversity of crops and by the fact that when farmers' incomes from these fall, the demand for imported consumer goods (over 50% of total imports) also contracts and tends to redress the balance.

Nigeria has consistently followed a conservative financial policy. Increased financial requirements of the ambitious development plan may have an impact on the relatively strong financial position.

Nigeria's public debt is still relatively modest in total. On March 31, 1960, the debt was reported at the equivalent of $113 million, the bulk of which is held externally.

With independence, Nigeria has tended to redirect traditional trade ties formerly maintained with Europe and Britain.

**U.S. businessmen may benefit from the new opportunities the Nigerian market offers to U.S. products.**

U.S. trade with Nigeria in 1961 showed a slight increase.

According to U.S. statistics, U.S. exports in 1961 were $26.8 million, compared with $25.5 million in 1960. Latest Nigerian statistics indicate imports from the U.S. to be approximately 5% of the total.

The modest rise in U.S. sales, in contrast with growth in previous years, was undoubtedly due to curtailed imports of U.S. flour.

With the Nigerian flour mill now nearing completion wheat purchases may replace some of the drop in flour purchases.

**Demand for U.S. machinery and equipment should increase in connection with the various schemes for developing the industrial sector of the economy.**

U.S. imports from Nigeria for 1961 amounted to $49.1 million, a notable increase over the $39.9 million of 1960.

This rise was due almost entirely to the higher U.S. cocoa purchases from the record 1960-61 cocoa crop.

Latest available Nigerian statistics indicate Nigerian exports to the United

**IN NIGERIA: Many varieties of goods are traded in the Blue Market in Ibadan, Nigeria.**

States to be approximately 9.5% of her total exports.

Nigeria has no preferential import duties. The basic duty rate is 20% of the import price but certain nonessential articles are liable for higher rates.

Special duties may be imposed when it is believed that goods are being dumped on the Nigerian market at artificially low prices.

Most machinery and industrial raw materials and some foods are exempt from duty.

### *Few Import Licenses Needed*

Import licenses are required only for a small list of specified goods. There is a small list of goods whose import is prohibited.

Most other goods may be freely imported under the so-called "Open General Licenses."

Since February 1960, the importation of goods from the dollar area is freely permitted except for sugar, coal, petroleum products, gold and gold products, and used clothing.

Exchange is obtained from authorized banks on the basis of an import license, either specific or open. Remittance of profits and dividends and repatriation of capital may be made freely.

Nigeria continued to attract foreign investors.

The United Africa Co. and English Sewing Cotton Co. are planning a $3.5 million cotton spinning and processing mill along with Dunlop Rubber Co., which is building a $5.6 million tire factory near Lagos.

The spinning mill will produce 5 million pounds of yarn annually, some of which is to be used in the manufacture of tire cord by Dunlop.

Construction will soon begin of a $4.2 million aluminum rolling mill at Port Harcourt.

The mill, with production capacity of 5,000 tons of aluminum sheets, is expected to start production in January 1963.

A foam rubber factory which manufactures mattresses, pillows, and cushions has been completed and is in operation.

Among other projects underway, or announced, are a factory for assembling radios, records, and light bulbs; a brewery; a malleable steel plant; a medical dressings factory; and a U.S. plant to assemble radio and television receivers on license.

# *South Africa Stronger But U.S. Trade Falters*

The economic upswing in South Africa is steadily gaining in strength and industrial activity is expected to be buoyed by various expansion programs to be undertaken by the Government and by various corporations.

Economic indicators, therefore, reflect the basic soundness of South Africa's economy and, assuming no adverse developments in political or race relations occur, continued economic expansion and growing industrial needs are foreseen.

In this situation, prospects should be brighter for a higher level of U.S. 1962 exports to South Africa.

The gradual industrial upswing, coupled with general betterment of economic conditions which may lead to a more liberal import policy, suggest that in 1962 U.S. exports to South Africa may regain the ground lost in 1961.

Despite some setbacks in a few industrial sectors and the intensification of exchange controls, by and large, during 1961 the South African economy showed strength, as exchange reserves increased, gold and diamond production set records, and the balance-of-payments position was favorable.

The value of U.S. exports to South Africa in 1961 reached only $228 million (U.S. trade data), almost an 18% drop from the 1960 level. The most significant declines were in automobiles, aircraft, railway equipment, machinery, and iron and steel mill manufactures.

Most of these products are imported by engineering, construction, and automotive assembly industries, which experienced a recession (however, overall industrial activity increased in 1961).

Other factors which contributed to the reduction of American shipments included stricter import controls and intensified competition not only from local manufacturers, encouraged by intensified Government efforts to attain "self-sufficiency," but also from European producers.

Some U.S. companies are expanding their existing manufacturing facilities in South Africa; others are contemplating licensing arrangements with local manufacturers.

U.S. 1961 imports from South Africa, although on the rise (13 percent over 1960) attained only $122 million, according to U.S. trade statistics.

The U.S., however, on the basis of South African data, remained South Africa's third largest customer, following the United Kingdom, and the Federation of Rhodesia and Nyasaland. Particularly significant increases were recorded in U.S. imports of lobster, fish, fish products, raw wool, and industrial diamonds.

In May 1961 South Africa withdrew from the Commonwealth but continued to receive preferential tariff treatment on the U.K. market. This arrangement has been extended to May 31, 1963.

Contrary to expectations, U.K-South African trade has continued to expand, but business circles fear that the eventual loss of preferential tariff treatment may adversely affect South African fruit and wine exports to the U.K.

South Africa's balance-of-payments position for 1961 shows total exports at $2,123.8 million of which $1,318.8 million was merchandise and $805 million gold, as compared with $1,988 million ($1,237.6 million merchandise, $750.4 million gold) in 1960.

Merchandise imports in 1960 and 1961 amounted to $1,555.4 and $1,408.4 million, respectively.

The total net balance-of-payments surplus of $56 million compares favorably with the deficit balance of $186.2 million for 1960.

### *Reserves Improve*

Dollar and gold reserves stood at $387.2 at the end of 1961, a considerable improvement over the previous year. The increase stemmed from a combination of lower imports, higher exports, and record receipts from gold mining, plus foreign loans.

Mining of gold was at high levels. Production in 1961 totaled 22.9 million ounces, 1.6 million above that of 1960. Diamond production was also at record levels, with the value of export sales reaching $116.2 million, compared with $95.2 million in 1960.

Production of most other minerals was ahead of 1960, but output of iron pyrites, uranium, and fluorspar declined.

The general agricultural picture in 1961 was one of high earnings and in some commodities troublesome surpluses.

Corn exports increased and South Africa is now second to the U.S. as a corn exporter.

The wheat crop was fairly large; with some exceptions, production of fruits increased, while dairy products were in surplus.

Despite continued outbreaks of foot-and-mouth disease the livestock market generally has been good with large increases in mutton and hogs and some exports to the U.K. of high-quality beef.

# Algerian Trade Modest, Despite 1961 U.S. Gains

U.S. products captured a larger share of the Algerian market in 1961.

U.S. figures show American exports to Algeria in 1961 reached a record level of $42.1 million, compared to $23.6 million in 1960.

The increase is largely the result of sales of wheat, which amounted to about $20 million in 1961.

There also was a sharp increase in imports of U.S. raw tobacco because of attacks of blue mould, which reduced Algeria's 1961 harvest to only 10% of 1960 production.

Other noticeable increases were in tractors and drilling equipment.

On the other hand, U.S. shipments of machinery and equipment, used clothing, and car bodies lost ground in 1961.

Overall, the U.S. maintained its modest hold as Algeria's second most important supplier after Metropolitan France with 3-4% of the Market.

U.S. 1961 imports from Algeria remained relatively unimportant, totaling only $1.3 million, compared with $259,000 in 1960. Principal U.S. purchases from Algeria were olives, olive oil, rugs, skins and essential oils.

### *Domestic Economy Depressed*

Because of internal difficulties, the economy of the country was depressed, affecting the U.S. trade in most export categories.

At present, trade is also hampered by reduced sales, tightened bank credits, the overexpansion of marginal firms, and the general practice of cash-and-carry.

Recent figures show an increase in the number of bankruptcies, insolvency proceedings and cases of non-payments of bills.

Industry has been holding inventories to a minimum, and new investment in the private sector has been negligible.

Some important activity was witnessed in areas supported by public funds such as urban housing, educational facilities and large industrial projects.

Construction of the Cheffia Dam, Algiers oil refinery, and the Bône steel mill were continued in 1961.

This activity is in line with the Constantine Plan, Algeria's 5-Year Plan. Metropolitan France is scheduled to finance about 35% of the plan which calls for a gross investment through 1963 of $5.6 billion.

### *Trade and Investment Patterns*

The French reductions of import tariffs within the European Economic Community apply equally to Algeria.

The U.S. enjoys most-favored-nation treatment, but its exports are subject to duty levels that are generally higher than rates applying to exports from Common Market countries.

Industrial production is highly dependent on imports of raw and semi-finished materials. New factories for the production of trucks, automobiles and electrical goods require the importation of major components from France.

During the year noticeable industrial gains were registered in gas and electricity, textiles, wrapping paper and containers, soaps and oils, tobacco products and matches, and food industries.

This is consistent with the pattern of imports, which shows a continuing good market for American consumer products, but a marked decline in producer goods.

# *Rhodesia Strives for Stability; U.S. Firms Help Build Economy*

Long-range prospects for U.S. exports to the Federation of Rhodesia and Nyasaland are favorable.

As the country's industrial activities expand and the African population continues to improve its standard of living, opportunities for shipments of U.S. goods should expand proportionately.

In the short-run, however, U.S. sales are geared to today's relatively slow development pace.

The Federation's prospects for a more rapid rate of economic growth appear to hinge on its ability to maintain a degree of political stability, and the course of events over the next few months may clarify this picture as plans for the Federal and Territorial Constitutions are completed.

### *Economy Healthier*

The Federation's gross national product increased in 1961 by almost 3% to about $1,554 million and banking reserves took a strong upward turn, reaching $134 million in December. The latter, however, was attributed largely to the success of an exchange-control measure enacted in February 1961.

This action does not affect payment for imports from the U.S. nor the repatriation of capital from private American investments.

In 1961, the Federation had its largest favorable balance of trade since 1954, preliminary data indicate. A slight reduction in total imports and an increase in net gold sales were responsible for this improvement.

### *U.S. Investments, Trade Mixed*

Although a generally bearish attitude prevails toward new foreign investment, there have been several U.S. investments in recent months:

1. Willys Jeeps is building a $6.7 million assembly plant in Lusaka.

2. The American Independent Oil Co. has spearheaded successful negotiations for construction of a $28-million oil refinery in Umtali.

3. Another U.S. firm has submitted a proposal to the Federal Government for construction of a fertilizer plant.

These firms apparently believe that the promise of the Federation market overshadows currently stagnant business conditions.

In 1961, U.S. exports to the Federation were off slightly at $13.6 million ($14.6 million in 1960); while imports from the Federation dropped to $10.3 million ($16.4 million in 1960), according to U.S. Bureau of the Census data.

Almost negligible copper and reduced chrome ore shipments brought about the steep decline in Federation exports to the U.S.

According to Federation trade statistics, total exports for 1961 rose to about $579.1 million, thus exceeding the 1960 record by about $2.8 million. Total imports were valued at $432.9 million, off $6.3 million from 1960.

For the first 11 months of 1961, imports from the U.S. amounted to $20.6 million or 13% less than in 1960. The U.S. share of the market, at 5.2%, however, remained approximately at the 1960 level.

The greatest reduction in imports, from all sources, was in foods, off $26.9 million. Chemicals, at $35 million, and manufactures, at $103.1 million, actually registered small gains, while the value of machinery and transport equipment, at $133.6 million, decreased slightly.

The relative strength of the latter categories, which account for the greater part of U.S. shipments, explains why the U.S. maintained its share of the market in spite of the reduced total in U.S. sales.

**While U.S. sales were falling, imports from Japan and the Common Market were increasing 25% and 15%, respectively.**

# Free-Trading Tanganyika Has Varied Growth Areas

Reexamination of the Tanganyika market by U.S. suppliers would seem to be warranted, in view of the fact that the country has no exchange controls affecting the dollar area, practically no import restrictions, and no system of imperial preference.

Moreover, Tanganyika forms a de facto common market with Kenya and Uganda, thereby offering the prospect of a market of 22 million people.

**Although a difficult period of political and administrative adjustment may lie ahead for this new nation, which became independent on December 9, 1961, businessmen should be encouraged by the continued upward trend of U.S. exports to the area.**

U.S. shipments to this former territory of British East Africa, according to Tanganyika statistics, in 1961 amounted to $3.9 million, an increase of more than $1 million over 1960.

**Although U.S. goods still represent only 4% of total Tanganyika imports, American construction equipment, air-conditioning units, used clothing, and various quality consumer goods have all found a small but growing market.**

U.S. sales in 1961 continued to climb despite slowing down of the country's economy as a result of severe drought and floods.

### U.S. Products Gain Acceptance

American products are slowly gaining increased acceptance in Tanganyika as their value and competitiveness become more widely appreciated.

U.S. purchases of Tanganyika products, principally sisal, coffee, and hides and skins, also increased modestly, from $14 million in 1960 to $14.8 million in 1961.

Tanganyika experienced serious economic difficulties in 1961. Per capita income fell because of poor crops; in a country still overwhelmingly agricultural, the Central Government suffered a considerable loss in revenue; at the same time, it was necessary to increase expenditures to relieve famine, to repair roads damaged by floods, and to meet costs brought on by the country's new status as an independent nation.

**Nevertheless, many indicators presage gradual economic growth for Tanganyika.**

The agricultural potential of the country is great, and far from fully exploited. By irrigation and flood control, the total present arable acreage could be increased by about 20%, although water development schemes are costly.

**Unexploited mineral resources, particularly the large iron and coal deposits in the southwestern parts of the country, offer a long-range potential.**

In the Northern Province, major phosphate deposits await cheap transportation.

### Development Planned

The new $67 million (£24 million) 3-year Development Plan, emphasizing agriculture and livestock, improvement of the road system, and expansion of secondary and technical education, should go far toward solving many of these problems.

In the industrial sector, the country continued to progress slowly, and 1961 saw the opening of the Tanganyika Meerschaum Co. in Arusha and the East African Tobacco Co.'s new factory in Dar es Salaam.

Manufacturing in Tanganyika is still a small-scale activity, however, largely confined to production of consumer goods for the internal (East African) market.

**Opportunities for new and enlarged U.S. trade seem to exist, especially in roadbuilding equipment, spare parts, farm machinery, and industrial equipment—all instrumental in implementation of the Development Plan.**

It is anticipated that the U.S. will participate in financing of the Development Plan (up to $10 million), and negotiations to that effect are being conducted.

Conclusion of this agreement should enable U.S. exporters to participate in filling Tanganyika's procurement needs.

**Competition in Cars**

# Angola Shakes Recession; Upturn Creates New U.S. Trade Chances

Prospects for expanded U.S. trade with Angola appear to be promising.

In the past few years, U.S. exports to this area, have dropped slightly but recent events are likely to bring a rising demand for U.S. merchandise — especially capital equipment.

The Angolan economy has been in the throes of a general recession in the last 2 years, coupled with a stringently applied program of import controls.

Unrest in the northern districts in March 1961 initially increased the recession's severity; however, gradually improved conditions brought about an economic upturn and, consequently, market opportunities for U.S. products may be expected to increase.

Greater immigration, a rising wage scale, and implementation of an expanded and accelerated economic development plan should reinforce this trend.

Shipments of U.S. goods in 1961 to Angola were valued at $9.8 million ($10.6 million in 1960), according to U.S. Bureau of the Census data. The principal items shipped from the U.S. included wheat, medicines, truck tires, iron and steel manufactures, machinery, cars, trucks, tractors, and parts thereof, refrigerators, used clothing, insecticides, and lubricating oils.

On the other hand, U.S. imports from Angola were up at $28 million, compared with $25.8 million in 1960. The principal commodities purchased from Angola in order of importance were coffee, sisal, tuna, dried fish, vegetable oil, and beeswax.

The U.S. buys about 50% of Angola's coffee, which in turn accounts for about 90% of U.S. purchases.

The total value of Angolan imports through November 1961 dipped to about $96.9 million, compared to $108.9 million for the same period last year, according to the latest Angolan data. Declines in the volume of such major imports as petroleum products, textiles, and railway rolling stock were largely responsible.

Although the value of U.S. merchandise sold fell off slightly, the U.S. not only retained its position as Angola's third largest supplier, following metropolitan Portugal and the United Kingdom, but increased its share of the market from 9.28% to 10.06%.

**The U.K., Germany, and other European nations are offering increasingly strong competition for the Angolan market, particularly with respect to automobiles, trucks, and agricultural and industrial machinery.**

**Price, service after sale and, most especially, terms of credit, are the bases on which these suppliers are making their advance.**

**With strong and aggressive selling efforts, American business may increase its share of the Angolan market.**

In July, Portugal and its oversea provinces will begin to drop the import and export duties applied to one another —then those commodities whose total

trade value did not exceed $1,722 in 1960 will be exchanged duty free.

Opportunities for U.S. investment which had not been encouraged in years past may be brighter.

Disturbances in the north have awakened the Portuguese Government to the needed improvement in the standard of living through a rapid development of the Province's industrial sector.

In the past, Angola had merely supplied raw materials for metropolitan industries which it then repurchased in the form of finished products, and industries which would compete with the Metropole were not encouraged.

This policy apparently has been relaxed and the Government is now encouraging both Portuguese and foreign industrial investment on a wide front.

In view of the limited capital available in relation to requirements, observers believe that it will be necessary for the Portuguese Government to make more aggressive promotional efforts to attract private foreign investment.

Some activity has already taken place. A German firm is financing a $45-million project to exploit Angola's iron ore deposits; a U.S. firm is participating in the construction of a $5.3-million rubber plant; and French capital is being sought for an aluminum plant to exploit the power produced by the Cambambe Dam, now under construction.

# Uganda Offers Untapped Market, Seeks to End 'Coffee Economy'

On October 9, 1962, Uganda, after 60 years as a British Protectorate, will become an independent state, having enjoyed full internal self-government since March 1, 1962.

A resurgence of business confidence in Uganda's political future should encourage U.S. businessmen to develop closer contact with this new and growing market for U.S. trade and investment.

Significant to American traders in Uganda are these factors: No exchange limitations, few import restrictions, and no Commonwealth preference.

Moreover, the fact that Uganda forms a de facto common market with Kenya and Tanganyika presents additional advantages from a trading standpoint.

**This year Uganda will inaugurate a new 5-year development plan based on the recommendations of a World Bank Economic Survey. An important segment of the plan calls for development of trade and industry.**

Despite traditonal commercial ties between Uganda and British and European countries, with independence there will be opportunities to develop sales markets in Uganda, particularly for agricultural and industrial machinery.

### *U.S. Machinery Popular*

U.S. machinery already is held in high regard and presently accounts for the bulk of sales to Uganda.

Particular interest also is being shown in U.S. equipment such as weeders for use on coffee estates, animal drawn planters and cultivators, powered cornpickers, and cotton-picking machinery adaptable to small acreage.

Other U.S. products for which sales seem promising are piece goods, automobiles, auto parts, farm equipment, and electrical products suitable for local conditions and operative on 240-volt current.

Although in Uganda the year 1961 was a period of only limited economic growth, adverse weather conditions played a key factor in an economy still overwhelmingly agricultural.

Heavy rains sharply reduced the 1961-62 cotton crop to an estimated 250,000 bales. As cotton is the country's second most valuable export, accounting in 1960 for about 36% of the value of total exports, sorely needed revenue was lost.

Coffee continued to be a mainstay of the economy.

Tea has now reached third place in agricultural products grown for export. Experiments are also being carried out with a view to reviving the cocoa industry.

**Copper from Kilembe Mines takes third place in the Protectorate's exports, and the Government is doing all in its power to encourage development of secondary industries to give greater stability to the country and absorb the growing population which agriculture alone may not be able to do.**

Next to raw materials the main requirement for industry is motive power, and Uganda is particularly well supplied with this from the Owen Falls hydroelectric scheme with its continuously increasing output.

U.S. sales to Uganda have been negligible, amounting in the first 8 months of 1961 to little more than half a million dollars, only 2% of Uganda's total import trade.

In the same period, Uganda exports to the U.S., mostly coffee, tea, and other agricultural products, equaled $10.5 million.

The Uganda Development Corporation, a semi-governmental organization, has continued to show considerable flexibility and willingness to work out joint ventures with private foreign capital.

# Expansion Continues In Cameroon

The market for U.S. products in Cameroon is expected to increase gradually.

Growth of the country's economy continued in 1961 at a good rate with most indicators of economic activity showing advances over 1960 levels.

Given Cameroon's relatively diversified agricultural base and the significant amounts of external assistance the country is scheduled to receive over the next few years, it is probable that expansion of the economy will be maintained.

### *Industrial Goods Needed*

Greatest opportunities for expanded sales of U.S. products in Cameroon are likely to be for industrial goods needed in connection with development of the country's transportation and communications systems.

A great deal of activity will be undertaken in these fields shortly as work gets underway on Cameroon's largest development project, the extension of the Transcameroonian Railway, one of the Government's priority projects.

The EEC, the United States, and France in June 1961 agreed, subject to certain considerations, to provide $33 million to finance the first section of the extension.

Light manufacturing and food processing industries can also be expected to develop, increasing demand for industrial equipment.

The Federal Republic is largely self-sufficient in production of foodstuffs.

Although most Cameroonian consumer goods have traditionally been supplied by France, the market is good for inexpensive household articles and miscellaneous items; entry into this market could be effected by aggressive marketing and competitive pricing techniques.

Cameroon's total imports were valued at about $96 million in 1961, a significant increase over the 1960 figure of $82.6 million.

U.S. exports to the country underwent a proportionate expansion, rising from $3.4 million in 1960 to $4.5 million last year.

**U.S. products marketed in Cameroon changed little in composition as compared to previous years, and consisted primarily of petroleum products, motors, motor vehicles, and earthmoving equipment.**

Total Cameroonian exports amounted

to $98 million in 1961 as compared to $97 million in 1960. U.S. imports of Cameroonian products totaled $6.1 million in 1960 and $5.5 million in 1961, the decrease resulting from a sharp drop in U.S. purchases of aluminum ingots and crude rubber.

The principal U.S. import from Cameroon in 1961, as in previous years, was cocoa.

Cocoa and coffee together comprised over 90% of U.S. imports of Cameroonian products in 1961.

### Competition Increases

Although sales in Cameroon of U.S. automotive equipment, including tractors, increased from 1960 to 1961, these products, especially heavy trucks, have met stiff price competition from German products recently.

**Competition from Germany and other EEC countries may become more important in the future as Cameroon has shown great interest in an association with the European Common Market that would permit preferential treatment for exports of tropical agricultural products to that area on the one hand, and perferential tariff reductions for Common Market goods entering Cameroon on the other.**

At the same time, however, market prospects have become more favorable for other American products where recent improvements have given U.S. manufacturers a technological advantage. Examples are materials handling equipment, small motors, and compressors.

Lately the availability of spare parts and after-sales service has grown considerably more important in merchandising in Cameroon.

Firms successfully selling mechanical or electrical equipment on the local market have found it necessary to have a supply of spare parts on hand as well as a resident servicing organization.

Cameroon has an Investment Code which offers financial benefits to foreign investors, and the Government is eager to attract additional foreign investment capital to the country.

Foreign investment is presently quite limited, the only major industrial project being the Alucam Aluminum Co.'s complex at Edea in East Cameroon.

# New Investment Code in Gabon Grants Incentives for Capital

Gabon, a former French colony on the west coast of Africa, offers a variety of attractive investment opportunities to the American businessman, and its government recently passed an Investment Code providing special privileges for private investors contributing to the country's industrialization.

Since gaining independence in 1960, Gabon has encouraged private investors to join in the development of her unusually rich natural resources, and President Mba describes the new law as an effort to maintain the climate of confidence between state and private enterprise that is essential to the economic and social progress of the country.

Foreign investment in Gabon's developing industry is extensive, with heaviest emphasis on the iron ore deposits in the northeastern part of the country (with estimated reserves of 1 billion tons of high-grade ore), a manganese mine and several newly-opened uranium mines in the southeast, and petroleum exploration along the coast and offshore near Port Gentil.

### Uranium Production

Uranium production began last year and was chiefly responsible for an 18% jump in Gabonese exports. Although her infant industries are not yet producing at full tilt, Gabon's traditional forestry exports help assure a favorable trade balance, with exports exceeding imports by $20 million in 1961, compared to $56.7 million and $36.7 million in 1960.

U.S. exports to Gabon increased only slightly in 1961 (from $4 to $4.3 million) and did not keep pace with the overall expansion of Gabonese trade. The U.S. share in Gabon's import market actually fell from 12.6% to 11.6% during the year.

However, we are second only to France as a supplier and U.S. trade with Gabon remains relatively much more significant than it is with other French-speaking countries in West and Equatorial Africa.

Machinery and transportation equipment are our principal exports to Gabon, with a recent government survey showing that American manufacturers have 31% of the country's motor vehicle market and that the U.S. sells more trucks and tractors in Gabon than any other nation.

Gabon's vigorous industrialization program has produced a steady growth rate over the past several years, and her economy should continue to expand at an accelerating pace.

In the immediate future the greatest opportunities for selling American goods will lie in producer goods, particularly those connected with further developing the country's large forest industry, the various mineral development programs and the expanding transportation and communication systems.

# Ivory Coast Trading Looks Good

The outlook for increased U.S. trade with the Ivory Coast is favorable. U.S. exports to the area have risen, and the sustained growth of the Ivory Coast's economy, together with recent liberalization of licensing and exchange controls on non-Franc Zone imports, indicate that the demand for U.S. products will continue to expand.

Particularly strong opportunities for increased sales of certain types of U.S. products should arise in connection with the Ivory Coast's economic development plans, which call for significant expansion of the country's transportation and communications system as well as stepped-up investment in both agriculture and light manufacturing.

Product classes likely to be affected are transportation, agricultural and road construction equipment; machinery; electrical equipment; and fertilizers and industrial chemicals.

In addition, a recent Department of Commerce Trade Mission to West Africa found in the Ivory Coast a strong market for a broad range of American consumer goods such as canned or preserved food products, inexpensive hardware, household and cooking implements, inexpensive clothing, refrigerators, and air conditioners.

### U.S. Exports Up

U.S. exports to the Ivory Coast during the first nine months of 1961 amounted to about $4.5 million—an increase of 46% compared with the corresponding period of 1960.

This increase was proportional to the over-all expansion of the Ivory Coast's trade, however, so that the U.S. share of the country's import trade remained relatively limited and constant, declining very slightly from 3.6% in 1960 to 3.3% during the first nine months of 1961.

No sharp changes occurred during 1961 in the composition of U.S. exports to the Ivory Coast, with principal products consisting of machinery; trucks, automobiles, and other transportation equipment; miscellaneous metal products, hardware, and metal furniture; industrial chemicals; tobacco; electrical appliances; petroleum products; and clothing.

The principal U.S. imports from the Ivory Coast were coffee, cocoa, and wood.

Although France continues to supply

the largest share of Ivory Coast imports and to purchase most of the country's exports, it is most probable that the pattern of Ivory Coast trade will become more diversified.

The Government has indicated that it seeks such diversification and, as one example of the means by which it hopes to promote this, has opened a permanent Trade Mission to the U.S. in New York City.

Further impetus to export expansion outside the Franc Zone has been given by recent commercial arrangements between the Ivory Coast and France.

These arrangements provide for the Ivory Coast to have full access to its foreign exchange earnings, and for a liberalization of quantitative restrictions on the import of non-Franc Zone goods into the country.

The lifting of exchange restrictions is important, since the Ivory Coast has a favorable balance of trade; in 1960 total exports exceeded imports by $31.3 million.

### *Investment Chances*

Prospects for increased U.S. private investment in the Ivory Coast are also encouraging.

Development of the Ivory Coast's economy has created opportunities for profitable investment in many sectors.

In addition, the Government desires to foster the growth of a strong private sector, and has established a liberal investment code providing broad incentives to potential investors.

Several significant investments in the Ivory Coast are planned by U.S. businessmen, including projects in the fishing, petroleum, and tourist industries.

# *Chances for More Congo Trade Hinge on Nation's Political Stability*

Primarily because of U.S. financial assistance granted to the Congo, the outlook for increased U.S. trade with that country is more favorable now than it has been at any time since the Congo obtained its independence almost 2 years ago.

In addition, signs of progress toward political settlement, coupled with an improved working relationship between the Congolese and the United Nations, hold out new hopes for a return to stability.

The excellent economic infrastructure existent prior to independence remains substantially intact and provides the essential foundation for recovery and renewed growth.

### *U.S. Aid Committed Through UN*

In accordance with a policy established in July 1960, all U.S. Government aid to the Congo is committed through the facilities of the United Nations.

Prior to January 1962, our aid to the UN Congo fund for imports totaled $27.9 million. These funds already have been entirely committed.

The Agency for International Development, however, on January 19 announced an additional grant of $10 million for purchase of U.S. commodities—industrial equipment, machinery, vehicles, drugs, and food—and $5 million to augment the UN technical assistance program.

At the same time it was revealed that an additional $18 million will be made available before the end of fiscal 1962 for purchases of U.S. commodities.

The United States in December 1961, concluded an agreement with the Congo for $7.5 million worth of surplus agricultural commodities under Title I of PL 480. An additional Title I agreement of about the same magnitude may be concluded early this spring. The principal commodities covered by these agreements include wheat flour, rice, and dairy products.

U.S. exports to the Congo, which in the past represented about 20% of total Congolese imports, dropped to approximately 7% in 1960. Since then, however, they have climbed steadily to attain 16% in 1961, and future prospects are encouraging.

**Major U.S. exports to the Congo have been flour, cars, trucks, vehicle parts, oil and greases, tractor parts, air conditioners, and cloth.**

The Congo has great potential for economic development. It is the world's largest producer of industrial diamonds, and is among the largest producers of copper, cobalt, tin, and manganese.

Gold is also produced in significant amounts.

The Congo is an important world producer of palm oil, palm kernels, rubber, and coffee.

In the past the U.S. has purchased from the Congo considerable quantities of coffee, palm kernel oil and palm oil, rubber, and some pyrethrum.

The value of U.S. imports totaled $107 million in 1959, $68 million in 1960, and $55 million in 1961.

Historically, the Congo has traded more with the United States than with any other country except Belgium. There is little doubt that this African country with its rich mineral and agricultural resources is destined to become an important trading area for the United States.

# U.S. Holds 10% of Trade In Ethiopia

U.S. trade with Ethiopia rose sharply during 1961 as both exports and imports recorded substantial increases.

U.S. statistics showed that American exports to Ethiopia recorded a substantial increase of 48.5%, rising to $10.9 million in 1961, compared to 1960's $7.3 million.

This fast expanding economy, with its increased exchange earnings, offers unique opportunities for U.S. traders and investors.

U.S. imports of Ethiopian commodities totaled $31.4 million in 1961, an increase of 16.9% over the 1960 level of $26.9 million.

### *U.S. Trade Significant*

U.S. exports to Ethiopia usually account for about 10% of total Ethiopian imports. Major U.S. shipments included raw cotton, accounting for almost a third of the total value, followed by fuels and oils, tires and tubes, machinery and tools, automotive parts, and vehicles.

A substantial share of U.S. exports were shipments under AID loans and PL 480 commodity credits.

The Ethiopian market offers opportunities for sales of a wide variety of American products such as heavy trucks, construction equipment, machinery, industrial electrical material and spare parts.

The U.S. has long been the principal customer for Ethiopia, taking almost 40% of total Ethiopian commodities exports. The principal commodities purchased by the U.S. have been coffee and hides and skins (chiefly goat and kid skins).

### *Competition Intense*

U.S. exporters continued to be confronted with intense competition particularly from European and Asiatic countries. Japan, Italy, and the United Kingdom in that order provided the bulk of Ethiopia's import needs.

Other important suppliers include West Germany, India, the Netherlands, Sweden, and Soviet Bloc countries.

### *Investment Interest Brisk*

The Ethiopian Government has initiated a number of important development projects (roads, telecommunications, air transportation) which it hopes to complete with the assistance of the IBRD and AID or Export-Import Bank

loans. These loans will amount to some $43 million.

Expansion of the road network and the improvement of the communications system will open up many previously isolated areas and will present investment opportunities for American business to participate in the development of Ethiopian mining or agricultural resources.

The Ethiopian Government, anxious to attract private foreign investment, has announced that new investment legislation designed to encourage foreign private investment will be enacted.

U.S. firms have also evinced much interest in Ethiopia. One U.S. mining company, for example, is investing about $15 million in the development of local potash resources.

# Liberia's Iron Ore Means Good Trading

Intensive development of sizeable iron ore reserves in 1962 should make Liberia an even more attractive market for goods and services.

Liberia's foreign trade reached a record $148.6 million in 1960 and incomplete data for 1961 indicate a further increase in both imports and exports.

U.S. exports to Liberia jumped almost 40% in 1961 to $49.6 million compared to $35.8 million in 1960.

Increased purchases of building materials, steel bars and plates, vehicles, and rice largely accounted for the sharp rise.

In 1961 the value of U.S. imports from Liberia fell to $31.8 million from the previous year's $39.4 million. This was due principally to a drop in the price of rubber.

### *Iron Ore Forges Ahead*

For the first time in Liberia's history, 1961 revenues from exports of iron ore exceeded those from rubber exports. Although this was chiefly due to the drop in the world price of rubber it reflects the growing importance of mining in the country's economy.

There was a marked increase in Liberia's capital goods imports during 1961, reflecting the build-up of the country's mining complex.

Despite the depressed rubber situation, there is no doubt that Liberia's economy is on the upswing. By the end of the 1960's iron ore production from current mining ventures should reach 25 million tons annually, with a value of over $200 million.

### *Building Boom*

The Liberian Government has $65 to $75 million worth of construction either underway or in the advanced planning stages.

Architects are working on a $20 million university and a $5.5 million government hospital and paramedical center, for which definite financing arrangements have not been made.

Final feasibility studies for a $23 million hydroelectric project will begin shortly with a $250,000 loan from the Export-Import Bank.

Some $12 million of construction is presently underway, including the Executive Mansion, Law Court Building, and various road construction projects.

Liberia offers select opportunities which should attract U.S. firms of all sizes. Subcontract work is needed in plumbing, electrical, air-conditioning, piping, and other installations for the many construction projects planned.

Building appears to be of sufficient volume to attract new U.S. construction firms. Most local organizations are fully occupied with other jobs. As a result, past profit margins on construction work often have been high.

Various mining, construction and trading firms have indicated interest in purchasing quantities of U.S. building material, particularly iron, steel, and aluminum materials and structures, prefabricated building sections.

Also popular are U.S. construction and mining equipment, industrial air-conditioning equipment, office equipment and supplies, office and residential furniture, fixtures and furnishings, hospital equipment and supplies, and foodstuffs.

### *Unique Advantages*

In addition to its rapidly growing economy, Liberia, more than any other country in Africa, offers the American trader or investor certain distinct advantages.

Historically, Liberia and the U.S. have enjoyed a close and special relationship.

The two countries also have a similarity of laws, language, and currencies. Finally, there is a relative absence of long-entrenched European trading firms in this West Coast Country.

However, if U.S. firms or businessmen are to benefit from these advantages they must make a vigorous effort to penetrate the Liberian economy by establishing local branches, granting more generous credit terms, making more frequent business visits and undertaking a greater number of market studies.

# Kenya Is Key to Big Market

The future for U.S. trade in Kenya should be viewed with cautious optimism.

Though it is true that the course of Kenya politics is difficult to predict, U.S. businessmen may be encouraged by the fact that Kenya has no exchange restrictions, virtually no import restrictions, no system of imperial preference, a gross national product, and per capita income which has held its own despite capital flight and despite recent severe floods and drought, a de facto common market—meaning no internal customs barriers—with Uganda and Tanganyika, thereby offering direct access to a market of 22 million people.

U.S. exports to Kenya, according to Kenya statistics, amounted to $9.5 million in the first 8 months of 1961, an increase of $224,702 over the same period in 1960.

While sales of U.S. products rose moderately, farm machinery and tractor exports, normally a significant part of U.S. trade, decreased.

### *U.S. Consumer Goods Rise*

Shipments of U.S. consumer goods, including a wide range of food preparations, household articles, chemicals, and pharmaceuticals, increased.

**U.S. firms with branches already in Kenya are selling tractors, chemicals, automobiles, insurance, cameras, typewriters, sewing machines, soft drinks, and numerous other products.**

U.S. imports of Kenya goods in the first 8 months of 1961 amounted to $10.1 million, about $3 million above the level of the January-August period in 1960.

Principal goods purchased included Arabica coffee, tea, pyrethrum extract, sisal, and other vegetable fibers, wattle-bark extract, and carvings.

As Kenya is primarily an argricultural economy and will remain so for some time, its economic growth, at present is very much dependent upon the health of its agricultural sector.

Accordingly, the Government is trying to improve agricultural methods and increase farm output.

African farmers, benefiting from Kenya's 3-year $97 million Development Plan and profiting from an $8.4 million World Bank loan to finance development of African farms in the Highlands, are acquiring better strains of cattle and are learning improved techniques.

In the industrial sector a number of

projects were undertaken during the 1960-61 period, including the building of a cement factory, a shoe factory, and a large brewery. The construction industry, however, in 1961 continued to be the most depressed sector of the economy.

In the first 9 months of the year the number of approved applications to build houses, office blocks, and factories in Nairobi slumped to 484, compared with 1,378 for 1960 (Jan.-Sept.).

# Volta a Bright Spot In Ghanaian Plans

Licensing controls, increased state control of trade and investment, and a deteriorating balance of payment position may limit the expansion of U.S. exports to Ghana.

The past year's economic highlights include suspension of the second 5-Year Development Plan which is to be replaced by a 7-Year Plan in July.

The new plan calls for

- A state enterprise sector.
- A joint state-private enterprise sector.
- A cooperative sector.
- A private enterprise sector under conditions determined by the government, in which it has been indicated that foreign private investment will *not* play a major role in industrial development.

The financing of the Volta River Project was officially approved on January 23, although preparatory work had been in progress for some time. The latter will be a noteworthy step in providing cheap power for industrialization.

Volta contracts for equipment and construction of transmission lines valued at almost 10 million pounds were awarded at the end of December, bringing the total of contracts awarded to over 35 million pounds.

The financial arrangements for construction of the aluminum smelter at Tema were also concluded, with the U.S. Government providing the Volta Aluminum Company (VALCO) a loan of $96 million towards the total cost of $128 million.

New trade controls imposed on December 1, 1961 reflect balance of payments difficulties and the Government's need to fulfill commitments under trade and payments agreements concluded with Sino-Soviet Bloc countries.

All open general licenses for imports were revoked. Now specific licenses must be obtained for each commodity import, with a few unimportant exceptions.

During the latter part of 1961 a Government-owned National Trading Corporation was established to engage in the important and distribution trade.

The Corporation was chiefly intended to promote increased Ghanaian participation in the import trade.

Most commodities included in the bilateral trade agreements with the Sino-Soviet Bloc countries were expected to be imported by the Corporation and sold at wholesale to consumer cooperatives and private Ghanaian traders.

Deterioration in the balance of payments continued, induced by increased purchasing power arising from deficit borrowing from the banking system and the seasonal growth in cocoa income.

Although foreign exchange earnings were equal to the 1960 level, available trade data suggest that Ghana will record a balance of payments deficit of at least 40 million Ghanaian pounds for the 1961 calendar year.

This deficit compares with 11.2 million Ghanaian pounds in 1959 and 26.6 million in 1960.

Ghana's foreign exchange assets have shown a continued decline. By December 31, 1961, the market value of Ghana's foreign exchange assets was at a record low of 80 million Ghanaian pounds, an estimated decline of 40% during 1961.

Ghana's trade deficit for the first eleven months of 1961 amounted to 25.2 million Ghanaian pounds as compared with a deficit of 8.8 million for the corresponding period of 1960. Exports for January-November amounted to 108.6 million Ghanaian pounds, showing a slight increase over the same period last year.

Exports to the U.S. for January-October 1961 almost doubled the corresponding period for 1960. A sharp rise in cocoa purchases was largely responsible for the increase.

Total imports were up by 15%, while imports from the United States increased by almost 80% over, the January-October period of 1960.

Food and manufactured items accounted for a substantial portion of the rise in imports. Machinery and transport equipment accounted for 24% of the total.

Present indicators are the the Government of Ghana will concentrate its efforts on accelerating the rate of economic and industrial development.

Many policies and attitudes are evolving as the Government tries to establish a socialist society.

An increasing amount of Ghana's foreign trade is expected to be channeled to Sino-Soviet Bloc countries. The popularity of American products will probably continue, but sales success will be limited by trade restrictions.

Soviet Bloc efforts to exert economic influence in Ghana were manifested by a number of trade agreements concluded between Ghana and Soviet Bloc countries during the year.

# U.S. Sales To Tunisia Up Sharply

U.S. exports to Tunisia increased from $21.3 million in 1960 to $39.3 million in 1961, American statistics showed, and the U.S. continued to rank second as a source of supply, with about 24% of Tunisia's expanding market.

Principal U.S. exports included dairy products, petroleum products, excavating and mining machinery, and tractors.

The largest single export item in the 1961 figure was surplus farm products totaling $15.3 million under PL 480. These imports were necessitated by the most severe drought Tunisia has suffered in 20 years. An agreement for an additional $5.7 million was recently signed.

U.S. imports from Tunisia, of which olive oil is the principal item, remained low in 1961—$683,000—but were higher than the 1960 figure of $435,000.

Tunisian foreign trade remains oriented essentially toward France, in spite of political difficulties. The Tunisian Government, however, continued the policy of diversifying its trade patterns and implemented this policy by signing several bilateral agreements with other countries, including some members of the Soviet Bloc.

### *Trade Restrictions*

A "Tunisification" Law, promulgated on August 30, 1961, was designed to reduce drastically the size of that element of the business community considered nonproductive and speculative, and to reserve trading to Tunisian nationals and firms. The Government has also taken steps, in the form of licensing restrictions, advance deposits, and quotas, to restrict the import of goods considered as "luxury" or "nonessential," in an effort to conserve foreign exchange and to pursue the "austerity" objectives of the

10-Year Perspective Plan published in August.

Although Tunisia's foreign trade deficit approached $100 million for 1961 and a substantial reduction in her foreign reserve holdings was registered, Tunisia's financial position remained sound.

In October 1961, Tunisia's foreign exchange amounted to $71,023,000 (29,842,000 dinars). Bank deposits were generally higher in 1961 than they were in 1960 and price indices remained stable.

Prompt Government control measures prevented a general runaway price rise threatened at the time of the Bizerte crisis. Present price conditions are stable.

### New Opportunities

Tunisia's emphasis on industrial and agricultural development offers new opportunities for U.S. exports of capital goods and equipment in 1962.

Under the "austerity" program, Tunisia is favoring the import of producer goods to the partial exclusion of "luxury" and non-essential items.

Items which could still offer export opportunity include chemicals, pharmaceuticals, electric batteries, fuel oil, combustion engines, printing equipment, insecticides and new apparel.

A few of the 10-Year Plan's projects aimed at making Tunisia more economically independent are: a small steel smelter, an iron mine, a textile plant, a power plant, a cattle feeding plant, various small industries (cork, wood, and small cement plants), schools, rural low-cost housing, port and harbor improvement and projects for water conservation and utilization.

These projects need foreign capital and technology, and many will be financed through U.S. loans.

Since these loans are tied to the procurement of U.S. goods, new opportunities for U.S. exports exist.

The U.S. has an Investment Guarantee Agreement with Tunisia which allows U.S. investment to be insured by the U.S. Government.

# Manufactured Goods Make Bulk Of American Exports to the Sudan

U.S. businessmen seeking new outlets for their products may find it to their advantage to investigate the Sudan's import pattern in pharmaceutical preparations, dyestuffs, wheat flour, canned foods, prepared milk products, synthetic textile fabrics, cotton piece goods, cotton textiles, ready-made clothing, and footwear of rubber or leather.

Prospects for expanded sales of U.S. products to Sudan in 1962 are favorable.

U.S. exports to Sudan reached record levels in 1961 with a total value of $11.6 million, according to U.S. statistics.

This amount represents a sizable increase from the 1960 export level of $6.5 million.

U.S. statistics for 1961 show that manufactured goods comprised the bulk of American sales to the Sudan. The most important were construction and mining machinery, agricultural tractors, automotive vehicles and parts (mostly trucks), insecticides, lubricating oils, textile machinery, agricultural machinery and equipment, geophysical equipment, cotton gins, presses, and parts, radio transmitting apparatus, photographic equipment and supplies, electric refrigerators, tires and tubes, and diesel engines.

U.S. imports from the Sudan in 1961 totaled $5.1 million, a slight reduction from the 1960 total of $5.4 million.

### Competition Intense

Although the U.S. share of the Sudanese import market rose from 3.3% to 7.1% of the total in the first half of 1961, the U.S. remained in fifth place in the list of suppliers.

The United Kingdom, India, West Germany, and Egypt were Sudan's most important trading partners.

Sudan's political stability and sound economic conditions have attracted a substantial number of European and Asian trading or manufacturing firms.

U.S. exporters desiring to expand trade with the Sudan should insure more personal contacts with local businessmen and provide assistance in servicing and sales techniques.

The Sudan is a relatively good market for a variety of products presently obtained from other than American sources.

### Investment Interest Brisk

Both the Sudanese Government and local private enterprise are active in accelerating development of the country's important but still latent mineral and agricultural resources.

Major public works projects and other Government-owned industrial construction activities—dams, large-scale irrigation schemes, a sugar refinery, a large tannery—have been undertaken.

Important development projects, including some sponsored by the U.S. assistance program, will provide more effective communications and transportation facilities capable of opening-up many areas heretofore inaccessible.

The U.S. and Sudan have an investment guarantee agreement; as a result, a number of relatively important investments have been made or are under consideration by American firms, particularly in mining or industrial activities.

# Morocco Depressed By Drought

A severe drought and a generally depressed economy in 1961 reduced Morocco's purchasing power and prompted the Government to restrict drastically the importation of various non-essential and luxury items.

However, new development projects, supported by U.S. funds, offer opportunities for expanded U.S. exports of capital goods and equipment.

U.S. exports to Morocco increased from $34,127,000 in 1960 to $65,989,000 in 1961, but much of this increase represents shipments of wheat and barley under the U.S. Food for Peace Program.

The drought suffered by Morocco in 1961 made such shipments necessary.

Other major U.S. exports to Morocco in 1961 included vegetable oils, fats and wax, textile fiber, and machinery and vehicles.

U.S. imports from Morocco increased only slightly from $10,445,000 in 1960 to $11,347,000 in 1961. Principal imports included bauxite, canned sardines, and manganese.

### Restrictions on Imports

Morocco recently took decisive steps to reduce certain imports and protect local industry. Effective January 7, 1962, the Moroccan authorities increased tariff rates on a wide range of textile products, including most fabrics, clothing and used clothing.

The increase ranged from 25 to 60% on fabrics and clothing, but jumped from 32.5% to 200% for used clothing.

On the other hand, tariff rates were reduced for silk, waste silk, silk and wool thread, flax, ramie, cotton waste, raw hemp, jute, combed wool thread, nonprocessed cotton yarn to be used in rugs, cotton yarn processed for retail sale, and fabrics used in tires.

New restrictions on licenses for luxury items are generally aimed at the dollar zone, where the trade deficit is a chronic problem. These restrictive measures have recently been accompanied by a drive to put all local commercial activities in the hands of nationals.

Import restrictions are not expected to affect those exports related to U.S. loans. The U.S. Supporting Assistance Fund for 1962 is $30 million, of which half is

specifically tied to the procurement of U.S. goods.

Morocco's trade deficit with the dollar zone is substantial. However, Morocco's foreign exchange holdings, in spite of a drop of $50 million, stood at $200 million (1,017 million dirhams) at the end of 1961.

The investment climate received some stimulus in mid-1961 from the signing of a new investment agreement and investment Guarantee Agreement. Under this agreement, American firms can have their investments insured by the U.S. Government.

### *Trade Opportunities*

Export opportunities for U.S. traders are likely to be available in soybeans and soybean oil, industrial machinery and equipment, agricultural machinery, electrical generators and motors, railroad equipment and tracks, rubber and rubber products, equipment used in mining, construction and conveying, automobile parts, aviation equipment and parts, and small fishing vessels.

Patterns of Moroccan investment are largely dictated by Morocco's 5-Year Development Plan. This plan foresees expansion and development in the areas of food processing, irrigation, ore processing, communications and assembly industries.

However, to date, there has been a noticeable lack of specific projects available to investors.

***Discusses Investment Guarantee***

# *Mineral Deposits Help Guinea In Its Quest for Light Industry*

Rebounding quickly from a foreign currency shortage caused by its 1960 withdrawal from the Franc zone, the Republic of Guinea is moving toward an expanded trade position vis-a-vis the U.S., bolstered by increased earnings in the country's extractive industries.

U.S. 1961 sales to Guinea rose sharply in the first half of 1961 to an anticipated annual total of $5.9 million, compared with 1960's year-end figure of $2.17 million. America's share of the Guinean market rose from 4.4% in 1960 to an estimated 7.5% in 1961.

Meanwhile, U.S. imports from Guinea —almost exclusively coffee—totaled about $285,000 in 1961, compared with $372,000 in 1960.

The Government of Guinea, anxious to find a larger market in the U.S., is actively promoting the increased American sale of citrus fruit essences, bananas, pineapples and iron ore.

### *Barter Arrangements*

Guinea's foreign exchange picture in 1961 was considerably brighter than in 1960, when withdrawal from the Franc Zone left the country largely dependent on barter arrangements—particularly with Bloc countries—for necessary imports.

However, aluminum production started at the FRIA project and substantial gains were recorded in iron ore production, leading to increased 1961 Guinean trade with the West.

Guinea's mineral production, and total export picture, may take an even brighter turn if the iron ore deposits at Mt. Nimba, in the southern part of the country, are brought into production.

Consafrique, a consortium of Western interests, has been granted a concession for exploitation of the area.

Present American investments in Guinea are limited to oil distribution companies and to substantial participation in FRIA.

The Government is avowedly anxious to bring in additional capital from the U.S., and a forthcoming economic mission is expected to invite American investment participation in a number of light industrial and food processing projects.

An investment guarantee agreement is under discussion.

Guinea, meanwhile, should provide U.S. sales opportunities in the fields of telecommunications equipment, machinery, electrical appliances, and motor vehicles and parts.

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# Australian Firms Ask Protection

Australia offers substantial opportunities to U.S. exporters and investors, and the outlook is brighter for the coming year than it has been for some time.

There is, however, still an element of uncertainty for the long run for U.S. exporters because of mounting pressures on the Australian Government by domestic industry for increased protection from import competition.

The last half of 1961 began with the Government progressively removing the last of the fiscal and monetary controls that had been adopted in November 1960 to check a speculative and inflationary spiral.

The economy's sluggish response to the removal of controls became a major issue in the Federal election campaign which resulted in the Government parties' Parliamentary majority being reduced to one.

### *Government Stimulation*

The Government lost no time in responding to the reverse, however, and in February it enacted a program of economic stimulation designed to re-invigorate the economy, reduce unemployment, and restore the confidence of the business community, particularly the manufacturing sector.

Although the program focuses on short term "pump priming" measures, it includes such long-range steps as tax investment allowances for capital equipment for manufacturing industry, and other measures to provide further protection to domestic industries against imports.

The Prime Minister indicated that $123 to $135 million would be injected into the economy over the next few months as a result of the Government's emergency short-term measures, and economists already see signs of an advance to a higher level of economic activity, starting with a sharp drop in the unemployment figures for February. (The unemployment work figure is now 2.6% out of a work force of 4.3 million).

Although other indicators also have registered an acceleration of economic activity, the upward movement has been uneven and the "revival" may lose momentum after the short-term measures terminate on June 30.

The long-term measures are of more

immediate importance to American investors and traders.

Although the provision for investment allowances (20% on new plant and equipment for manufacturing activities) is designed principally to assist Australia's export expansion program, it also presents a further inducement to prospective American investors in that country.

U.S. export interests are studying closely the Government's decision to revamp its tariff-making policy and machinery.

Although the Government announced that it has no intention of reverting to import licensing on a broad scale unless forced by balance of payments difficulties, it provided for the re-imposition of quantitative controls in special cases where this is a more appropriate form of protection for the particular industry than increased duties.

A Special Advisor on Quantitative Restrictions was appointed and empowered to recommend the use of such restrictions to the Tariff Board.

In short, the trend towards increased protection will probably continue in Australia, with its rapidly developing economy and the strong import competition encountered since the almost complete removal of licensing restrictions in February 1960.

### *Investment Prospects*

The Government is committed to insuring that short run adjustments merge with long term policies to maintain stability so the climate for further American investment in Australia appears good.

The high standard of living, common language and customs, a population increasing annually by 2.3% and gross national product by 5.5%, almost assure a high level of capital inflow over the long term.

Total American investment in Australia now amounts to well over $1 billion and it has been increasing rapidly. Latest figures (for the financial year July 1960-June 1961) show an increase of nearly 42% in American investment over the previous year. The manufacturing industries generally account for more than half of U.S. capital inflow.

Rising demand for more rapid techniques and automatic processes has created an expanding investment market for electrical equipment, producer durables, and computing equipment. Popular new fields for investment are metals and mining, petro-chemicals, construction, and oil exploration and refining.

Discovery of oil in what may be commercial quantities in Queensland has aroused keen interest on the part of American oil companies.

American investment in Australia eventually may be affected by rising concern over the extent of foreign ownership of Australian industry, particularly in mining and the development of oil resources.

Restraints probably will be placed on the repatriation of capital, and requirements introduced to insure Australian participation in all new manufacturing industries.

The fact remains, however, that Australia's population of only 10½ million has very limited resources and foreign capital is a must for continued development.

Australia is also concerned about the possible adverse impact on Australian trade if Britain joins the Common Market, and she is trying to find alternate markets for her manufactured goods as well as her primary produce.

The outlook for U.S. exports to Australia is not as bright as for U.S. investment.

The leveling-off in purchases after the sharp upturn caused by removal of licensing controls in early 1960 and the general sluggishness of the economy have cut U.S. exports. The prospect of further tariff increases and the possibility of reversion to quantitative restrictions on some consumer goods makes the future uncertain.

### *Consumer Goods Competition*

Consumer goods face strong sales competition in the Australian market because of generally high inventories accumulated during the 1961 recession.

Local manufacturers of consumer durables have been attempting to reduce stocks by price reductions, generous trade-in allowances and other special efforts to stimulate sales.

In general, production facilities for consumer durables far exceed local market requirements and competition is stiff in this area.

The developing Australian economy requires unusually large quantities of raw materials and equipment not available from domestic production, so the bulk of U.S. sales to Australia will probably continue to be in such traditional export items as metals and metal manufactures, machinery, vehicles, plastics, tobacco, and synthetic rubber.

A "Buy-Australian" campaign organized by the Chamber of Manufactures in the latter half of 1961 may also influence U.S. sales in the Australian market.

### *Last Year's Drop*

U.S. exports to Australia declined considerably in 1961, while imports from Australia rose perceptibly. Because of the fall in exports, Australia moved from 11th to 14th place as a market for U.S. goods, and became our 21st ranking source for imports.

On the Australian side, the U.S. share of a declining total import trade fell from 20% to 18%, although America continued to be far and away the second largest supplier after the United Kingdom.

The U.S. also continued to be Australia's third best export market after the U.K. and Japan, but Japan has been taking an increasingly large share of Australian goods.

U.S. exports to Australia in 1961 amounted to $316 million compared to $386 million in 1960. The fall in shipments occurred principally in the metals and manufactures categories, in machinery and vehicles, and in wood and paper.

Iron and steel mill products alone dropped $15 million, while construction machinery dropped $7 million. Aircraft, metal-working machine tools, pharmaceuticals, scientific apparatus, and printed matter all showed sizeable increases.

America's 1961 imports from Australia increased to $181 million from $144 million for 1960. Almost all of the increase occurred in imports of meat, which rose $29 million (from $62 to $91 million). Imports of shellfish and raw wool also increased. Steel mill products, ferro-alloys, and lead and manufactures showed sharp declines.

### *Surplus in Trade Balance*

Australia achieved a favorable trade balance in the latter half of 1961, after a total trade deficit for the fiscal year ending June 30, 1961 of $351 million. By November, a trade surplus of $215 had emerged.

Government officials cite heavy sales of wool, increased sales of wheat to Communist China, and a seasonal increase in butter prices as the principal reasons for the surplus.

A steady increase in exports of steel and coal to Japan were other factors contributing to the heavy export earnings.

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# Hong Kong Still Booms; Plateau Seen

Hong Kong's economy showed outward signs of boom conditions and increasing prosperity in 1961, as foreign trade reached record levels, construction activity continued its spectacular growth, another budgetary surplus appeared certain, full employment generally prevailed, and tourists poured in from all corners of the world.

Yet there also were indications that the economy may have reached a plateau in its hitherto meteoric growth:

- Industrial activity was sluggish during most of the year.
- Total exports, including re-exports,

actually fell below the 1960 level, while imports rose somewhat.

- Rising costs for industrial land tended to inhibit new industrial investment and spurred speculative ventures in non-industrial building.
- This speculative building, together with heightened demand for import credits, stimulated a rise in interest rates and resulted in a general tightening of money.

### *Business Circles Concerned*

Hong Kong business circles were greatly concerned about three major external developments which may have significant impact on the Colony's textile industry.

First was the British announcement that the United Kingdom applied for membership in the European Common Market. As it is uncertain whether accession of the United Kingdom would include the Colonies, Hong Kong businessmen are worried about the prospect of losing the advantages of imperial preference in the U.K., which has been their major market.

Exports to the U.K. may also have to overcome the substantial common external tariff of the Common Market.

Hong Kong officials are guardedly hopeful that some protection for the Colony will be written into any agreement effecting British accession to the Common Market.

Further, Hong Kong agreed to an extension of voluntary ceilings on the Colony's textile exports to the U.K. and acceded to the short-term arrangements governing international trade in cotton textiles, concluded in Geneva and effective for the year beginning October 1, 1961.

In the latter, Hong Kong and other textile exporters agreed to exercise voluntary export restraint on 64 categories of cotton textiles, and to suspend or further restrict shipments if requested to do so by an importing nation under criteria of threatened domestic market disruption.

The U.S. invoked the Agreement twice in March 1962, and Hong Kong implemented restraint procedures on 10 of 64 categories.

### *Diversification Moves*

Confronted thus with a possible constriction of key export markets for its cotton textiles the Colony made a concerted effort to diversify its production and to promote the sale of products other than textiles abroad.

Trade missions visited Australia, Japan, the U.S., Latin American and Middle Eastern countries to sound out markets. Hong Kong is also considering participation in several international trade fairs.

The U.S. retained its position as Hong Kong's leading trade partner, but lost considerable ground to the U.K.

American products, traditionally popular in the Colony, met increasing competition from manufacturers of U.S. subsidiary firms in the U.K. and Western Europe.

This competition applied particularly to refrigerators, office machines, data processing equipment, telephone and PBX equipment, and certain building material lines.

Hong Kong's imports from the U.S. increased by only 1% to $127 million in 1961, while those from the U.K. rose by 14% to $132 million.

U.S. exports, however, compared favorably with the two other principal suppliers—Mainland China and Japan—whose exports to the Colony decreased by 14% and 9% respectively.

Hong Kong exports to the U.S. suffered a sharp decline of 9% to $122 million in 1961, caused primarily by a 33% drop in U.S. orders for garments.

The fact that U.S. products were able to hold their own in Hong Kong's highly competitive, price-conscious market, while suppliers in the surrounding areas suffered declines, tends to substantiate the existence of significant market opportunities for U.S. products in the Colony.

Most promising of these, according to the Consulate General in Hong Kong, are frozen poultry, canned seafood, canned vegetables, lard, tobacco leaf, pharmaceuticals, toilet soap, polysterene and styrene copolymers, polyethylene molding compounds, industrial sewing machines, air conditioners, aircraft parts, reconditioned consumer durables, automotive spare parts, and methyl cellulose.

The growing affluence of the Colony's Chinese and Western population has stimulated the demand for a wide range of luxury goods, such as haberdashery, lingerie, quality lines of synthetic fabrics for suiting, stationery and greeting cards, and sports equipment—a development of interest to American exporters.

# Tight Import Controls Mark Indonesia Picture

The past year was marked by growing difficulties in the Indonesian economy, some of them caused by temporary disturbances and political uncertainties, others indicative of the long-term problems of all primary-producing countries which rely heavily on the exports of raw materials and their world-market prices.

In 1961, Indonesia's foreign exchange reserves neared exhaustion, and imports of all non-essentials and of some essential goods had to be curtailed.

Tight import restrictions, expected to continue through 1962, have seriously diminished the possibilities for a maintenance, not to speak of an expansion, of American export sales to Indonesia.

Preliminary trade data for the first 9 months of 1961 indicate a deficit of $38 million, compared with last year's surplus of almost $300 million in the same period.

The decline of export receipts resulted chiefly from the world-wide drop of prices of rubber, Indonesia's major export.

Tin exports fell, despite high prices of tin on international markets.

Petroleum output and exports increased but were hampered by the uncertain status of foreign oil producers in Indonesia, which acted to reduce incentives to expand production facilities.

A substantial increase in imports followed the short-lived relaxation of restrictions in August 1960, an indication of the large pent-up demand for foreign goods in Indonesia.

Rice imports were again high, reflecting insufficiency of domestic production and rising demand due to the increase in population.

By the end of 1961 the curtailment of imports was felt in the depletion of inventories of auxiliary and spare parts for production enterprises, as well as some shortages of consumer goods.

In addition, serious drought periods during the year reduced the output of rice and other foods.

Hoarding, profiteering and price increases, intensified by uncertainty over the West New Guinea issue, aggravated the supply situation on rice and other consumer goods.

Inflationary trends evident throughout 1961 accelerated toward the end of the year. The budget deficit and large increases in bank credit resulted in a 30% increase of the money supply.

In addition, political tensions delayed urgent economic measures, while substantial financial resources were devoted to military expenditures.

### *Oil, Rubber Negotiations*

U.S. and other foreign oil and rubber companies are still engaged in protracted negotiations with the government on terms for their continued operations in Indonesia.

The Government is insisting on a 60-

40 split in profits in the oil industry in favor of Indonesia.

Foreign rubber producers are to be permitted to maintain their exploitation rights for the unexpired duration of their former leases, subject to a probable maximum of 20 years.

However, to date 2 principal conditions under which the two U.S. rubber companies will be permitted to operate are still undetermined—the proportion of current holdings they will be allowed to retain, and the period of time to be allowed for further exploitation.

### 8-Year Plan

The first year of Indonesia's 8-year development plan ended on December 31. The plan provides for the expenditure of $5.4 billion, half in foreign exchange and half in local currency.

Less than half of the amount budgeted for the plan in 1961 was actually used, and a large part of the spent funds in 1961 had to be diverted to uses not directly related to economic development.

Although the plan continues to be a general guide for future economic development, the current financial crisis will probably not only delay its implementation, but will require a restudy of the projects set forth in the plan and the methods of financing them.

In 1961, the output and export of rubber rose slightly in volume, but the industry faces an increasingly serious long-term problem of international competition which it can meet only by replanting present rubber plantations with higher yielding trees.

Production of crude petroleum rose in 1961 but refined petroleum output was estimated to be lower than in the previous year.

The government is counting on earnings from the oil industry's high potential exports to finance the major part of the foreign exchange costs of its development program.

### Rice Production

Indonesia's rice production campaign, designed to bring about domestic self-suffiency by 1963, has not been as successful as planned. In fact, population increase may well outpace the projected increase, and make large imports necessary in the future.

Although Indonesia's manufacturing industries increased their output in 1961, they operated at only slightly more than 50% capacity on the average, impeded mainly by equipment and power shortages. Numerous power projects designed to increase the supply of electricity are being completed.

U.S. exports to Indonesia in 1961 totaled $134 million or over 50% more than in 1960, when the U.S. supplied about 15% of Indonesia's total imports. Japan was the principal supplier in 1961; others included Hong Kong, West Germany, the United Kingdom and Communist China.

As in previous years, the U.S. was a major source of manufactured goods and agricultural products, the latter provided largely under PL 480 agreements.

The U.S. was a close second to the Federation of Malaya and Singapore as the major destination for Indonesia's exports. Chief U.S. imports from Indonesia (valued at a total of $163 million in 1961) were rubber, crude petroleum, tin ore and spices.

### Competitive Conditions

U.S. exporters will face highly competitive conditions in 1962, but should be able to maintain their relative share of the market, if credit and delivery terms are favorable.

The "free list" items (less essential, semi-luxury and luxury items) will probably continue to be prohibited.

Indonesian imports are likely to consist mainly of raw cotton, yarn, textile yard goods, jute, wheat flour, rice cambrics, fertilizer, concrete reinforcing bars, tin plate, newsprint and other types of paper, and cement, commodities and parts required in raising industrial production closer to capacity, and equipment for basic public projects.

The Government intends to give priority to imports needed for the establishment of factories to produce fertilizer, steel, cement and paper.

Other possible export opportunities for American business include manufacturing facilities producing multipurpose diesel engines and truck chassis, and equipment for processing and packaging agricultural commodities.

Several long-term Export-Import Bank loans, tied to procurement in the U.S., have strengthened the U.S. position as a major supplier.

In fiscal 1961, U.S. economic aid amounted to about $25 million, of which $8 million was financed by AID, and $17 million through PL 480.

A U.S. economic survey mission visited Indonesia recently at the Indonesian Government's request to study a possible expansion of the present aid program.

A recently conducted agreement under which an American firm will supply industrial equipment and receive reimbursement in shares of the output represents the type of foreign participation most favored by the Indonesians.

It offers considerable opportunities for U.S. capital, particularly in the production and processing of minerals, forest products and fisheries. Small and medium manufacturing industries are also receptive to U.S. and other foreign investors.

Joint enterprises in which the Indonesian Government holds majority ownership are also possible.

# Record Imports Seen Continuing in Japan

At the end of the first quarter of 1962, Japan's economy continued to operate at near-peak levels achieved in 1961, when industrial production increased by 21%, GNP grew by an estimated 10% and imports rose by over 29%.

As a result, it is likely that major industries will continue to import new equipment and raw materials at approximately the 1961 rate, when imports were at record highs.

Total imports in 1961 amounted to $5,811 million, an increase of 29.4% over 1960. Imports from the United States were valued at $2,097 million and represented 36% of the total.

Exports in 1961 amounted to $4,237 million, an increase of only 4.5%, while exports to the United States amounted to $1,074 million or 25.4% of the total.

The 1961 trade deficit was the largest Japan has ever experienced, and the deficit with the U.S. constituted nearly two-thirds of the total.

As a result of the investment boom, imports from the U.S. of machinery and industrial raw materials increased sharply.

Industrial machinery imports reached $174 million, up 70% from 1960; imports of measuring, controlling and scientific instruments rose to $25 million, a 38% increase.

Raw cotton imports, usually first in value, were displaced by ferrous scrap valued at $289 million, an increase of 85%. Cotton imports, $266 million, were up 21%

Japan's exports to the U.S. were down slightly from 1960 as a result of declines in a number of traditional exports. Exports of clothing, for instance, declined by 26%.

The Japanese Government estimates that 70% of its import trade is now liberalized—that is, freely importable under the Automatic Approval (AA) or Automatic Funds Allocation (AFA) systems from all sources of supply. These calculations are based upon imports in 1959.

The import schedule calls for about

75% liberalization by June 1, 1962 and 90% by October 1, 1962.

A very large percentage of the goods freely imported consists of textile raw materials, ores, rubber, logs, fertilizer and other non-manufactures.

It appears that even with 90% liberalization, imports of a large number of consumer items will still be controlled. Gradual removal of restrictions to the 90% level, however, should broaden the Japanese market for American products.

With imports increasing at a far greater rate than exports, Japan in mid-1961 was obliged to take measures to counteract the heavy loss of foreign exchange.

The deficit on current account in 1961 amounted to $1,085 million, compared with a surplus of $111 million in the previous year, an adverse swing of nearly $1,200 million.

At year's end, foreign exchange reserves stood at $1,486 million, compared to a high of $2,035 million in April 1961.

In January the downward trend was turned and at the end of February 1962 foreign exchange reserves amounted to $1,514 million.

### *Loans To Stabilize Reserves*

To stabilize its reserve position Japan negotiated a series of loans:

- $200 million from the three large American banks maintaining branches in Tokyo.
- $125 million extended by seven U.S. banks.
- A standby credit of $305 million from the International Monetary Fund.

A tighter licensing policy was instituted for all foreign exchange payments still controlled by the Funds Allocation (FA) system and major industries were urged to cut back on raw material inventories and investment.

The official discount rate was raised and the import guarantee rate increased in an effort to discourage non-essential imports. Import deposits for some items since have been lowered.

### *Import Levels Reduced*

The Japanese import budget for April-September 1962 is 10% lower than the originally announced budget for the preceding 6-month period, but may not differ greatly from the October 1961-March 1962 budget as it was implemented.

The current import budget amounts to $3,959 million, compared with $4,399 million for the preceding budget.

The commodity import budget is set at $3,114 million, including reserves. The preceding commodity budget as originally announced was $3,326 million.

Imports under the Automatic Approval (AA) licensing system are programmed at $1,650 million, compared with $1,800 million in the preceding budget.

Funds allocated for imports under the Automatic Funds Allocations (AFA) system amount to $220 million, the same as in the preceding 6 months.

The amount programmed for imports under the more restrictive Funds Allocation (FA) system is $1,044 million, compared with $1,306 million.

Both the current and past budgets included reserves of $200 million.

Reduced allocations are in prospect for oil imports ($229 million) and machinery imports ($350 million).

### *GNP Estimated at $49 Billion*

The Economic Planning Agency estimates that Japan's Gross National Product for the fiscal year ending March 31, 1963, will amount to $49 billion, an increase of 5.4% over that of the preceding year. Relative price stability is anticipated.

Exports and imports are expected to be, respectively 14.6% higher and 1.6% lower than in fiscal 1961.

The estimates for 1962 are based on the anticipated effects of credit tightening and other measures to discourage imports, promote exports and restrict capital investment.

Modernization of plant and equipment will be encouraged on a selective basis, particularly in power development.

Some observers predicted a downturn in the national economy reaching a low point by June and a reversal of the balance-of-payments deficit later in 1962.

At the end of the first quarter, however, there was strong evidence that the restrictive monetary measures have not been fully effective and that the business boom is continuing.

It is now thought that the expected downturn in business activities may not come before fall, and that an upturn in foreign exchange reserves may follow.

# Korea Austerity Plan Holds Down Imports

The Korean economy is showing signs of stabilization and progress, after a year of uncertainty and reorganization under the new military Government which seized power in May 1961.

Industrial production is rising, agricultural output has been the largest in many years, and the economic development program is gaining momentum.

Foreign trade has expanded and Korea's present foreign exchange holdings have reached an all-time high.

Although the threat of price inflation still exists, measures to cope with it have been reasonably successful.

Much credit for the favorable turn in economic development goes to the military group, which has taken hold of the country's economic problems and has tackled them with vigor and determination.

For the present, Korean imports are restricted to essential consumption goods and materials which serve the operation and expansion of industries.

The Government's austerity policy, designed to stop corruption and waste, to curb luxury consumption and extreme accumulation of wealth, and to promote greater domestic self-sufficiency and exports, has had a sobering effect on the economy.

### *Payments Balance Improves*

Although the country's balance of international payments has improved—exports in 1961 reached a high of $42 million—import demand is rising as a result of an acceleration of economic development projects.

A large U.S. aid program, supported by loan programs of some Western European countries, plays a key role in the reconstruction and expansion of the Korean economy.

Negotiations for greater economic interchanges with Japan, Korea's closest trading partner, are underway and have recently taken a more hopeful turn.

Korean statistics show that of total Korean imports of $255 million in 1961, about 42%, or $106.9 million, were supplied by the U.S.

The bulk of imports received from the U.S. was financed by the Agency for International Development—about 60%.

Among the $100.6 million in commercial imports, financed by Korea's own foreign exchange funds, $14.6 million were U.S. supplies.

Opportunities for U.S. traders to sell to Korea are increasing both on AID and Korean foreign exchange accounts.

The U.S. policy of restricting the use of AID funds essentially to U.S. sources has raised the U.S. share in AID-financed trade in the past year, and will probably continue to increase it even further.

As Korea's own foreign exchange resources grow, U.S. suppliers will also find large opportunities to export on a commercial basis.

### *Raw Materials, Food*

Korean imports from the U.S. continue to concentrate on raw materials and foods.

Largest U.S. exports to Korea included raw cotton, synthetic yarns, wheat,

barley, corn, fertilizer and various types of machinery.

Machinery and industrial equipment sales should increase as the development plans progress. Imports from the U.S. financed by Korea's own foreign exchange consist largely of machinery, fertilizers, paper products, synthetic yarns, pharmaceuticals, and technical and scientific equipment.

Competition is increasing for Korean markets. Japan is a strong contender and provides nearly 40% of Korea's non-AID financed imports, as well as nearly 20% of the AID-financed imports. West Germany and Italy are also increasing their exports to Korea.

### *Korean Exports*

Major Korean exports to the United States, which amounted to $8.4 million in an export total of $42 million, were cotton sheeting, silk, tungsten ore, bristles, and shellfish products.

For the past few years, the U.S. consistently has bought close to 20% of Korean exports. More stable conditions in Korea may produce increased exports, not only of raw materials but also of manufactured goods.

Several countries in addition to the U.S. are extending investment loans. West Germany signed a loan agreement for $17 million for an electric power project. An Italian group is now working out arrangements to provide Korea with a loan for fishing vessels. Several Japanese firms are negotiating manufacturing agreements with Korean firms.

### *Ulsan Development*

A recent development which should further enhance the development potential of the Korean economy is the selection of Ulsan, at the southeast coast of Korea, as the site of a new industrial complex which will house many of the major projects of the 5-Year Plan.

This industrial center is to contain an oil refinery, a fertilizer plant, an integrated iron and steel plant, and a 66,000-KW thermal power plant, all scheduled for completion by 1966.

Major projects in support of the development of the Ulsan industrial center are being planned, including facilities for providing an adequate supply of industrial water, improvement of the harbor facilities, plant site preparation, expanded transportation facilities, temporary and later permanent airport services, and a city planning project for an estimated population of over 100,000.

Several U.S. and West German firms are interested in some of these projects but no firm commitments have been made.

# *Malay Peninsula Offers Posh, Growing Market*

The Malay Peninsula is perhaps the most attractive market in Southeast Asia for American traders and investors.

The free port of Singapore and the free-enterprise of the Federation of Malaya, where U.S. goods enter under open general license with foreign exchange freely available and without quota restrictions, present a relatively untapped market which can yield rich rewards to the American exporter.

The Singapore market serves as an entrepot for much of Southeast Asia, especially Indonesia, Thailand, the northern Borneo territories and Burma, in addition to the Federation and the city itself.

At first glance the Federation presents only a limited market of 7 million people and is often overlooked as a sales target. However, the rapid development of Malaya's economy and the high purchasing power of the Malayan people make it a very attractive and promising market.

There is a large body of sophisticated consumers with a taste for imported goods and the ability to purchase them.

More relevant to the country's present position is its growing need for industrial equipment, machinery and technical know-how.

### *$70 Million in Exports*

U.S. exports to the Malayan area for 1961 amounted to more than $70 million. American imports from the area were approximately $155 million, about 90% of which was rubber and tin. Iron ore for Japanese steel mills is a third important Malayan export.

The U.S. is the fifth largest supplier of goods to Malaya, accounting for about 5% of Malaya's imports.

Non-steam tractors accounted for more than 13% of Malaya's American imports in the first three quarters of 1961. Closely following were industrial machinery, cigarettes, and unmanufactured tobacco.

The demand for American earth-moving, construction and industrial machinery has been increasing steadily over the past few years, and the continuing emphasis of the two governments on housing, land clearing and road building indicates a growing market for these items.

American tobacco and cigarettes maintain a perennial popularity in the Malayan market, although they are more expensive than local or other imported brands.

The secret to entering, holding and expanding the Malayan market seems to be the personal touch. The Japanese have developed this to a fine art, and they are a rapidly expanding economic force in Malaya.

The British, who for many years had an assured market in the area, have lost ground lately. But they sent a trade mission to Malaya during 1961 and launched an export drive which has rallied British exports to Malaya, in some cases at the expense of American products.

Malaya has large construction and rural development programs, which it finances largely with domestic funds.

The Federation is building a $15 million international airport which will be the largest in Southeast Asia.

It is also clearing large jungle areas to resettle landless farmers, building roads, bridges, schools, clinics and even mosques.

Several new industrial estates, patterned after the very successful Petaling Jaya industrial estate just outside Kuala Lumpur, are being developed.

Singapore is also building industrial sites, and has started a large low-cost housing program. All these activities point to an increasing future demand for all types of construction, building, engineering and industrial goods which American traders are in a good position to supply.

### *U.S. Investment Growing*

American investment in Malaya is small but growing, attracted by the generous inducements offered under the Pioneer Industries Act.

A large American oil company is building a multi-million dollar oil refinery at Port Dickson, and during 1961 American milk, battery, toiletries, and tobacco plants began manufacturing operations.

Several other U.S. firms are planning to open plants during the coming months. Many businessmen consider the Federation's investment climate the very best in Asia, and the friendly cooperation extended by the Malayan Government is almost unique.

Singapore has also attracted a substantial amount of American investment. Since the island has traditionally been a great trading center, the emphasis is on trading companies, branch offices of banks and shipping companies.

American capital is also participating in manufacturing enterprises.

Recent political unrest, caused in part by militant trade unions, has lately clouded the investment climate in Singapore, but the forthcoming merger with

the Federation and British Borneo could cure many of the island's economic difficulties.

In any event, the union of these areas into a new nation of 10 million people is expected to generate considerable economic activity in all fields and doubtless will enhance an already attractive market.

## *Investment Encouraged*

# Election of Macapagal Clears Air; Philippines Adopt Sweeping Reform

During the second half of 1961, Philippine economic activities were beset by uncertainties and the anticipation of change. The deterioration of the balance of payments caused a moderate rise in prices.

The Presidential election campaign, which culminated in the victory of Diosdado Macapagal, brought industrial expansion to a temporary halt, and discouraged foreign investment.

With the accession of Macapagal in January 1962, the air cleared.

Important economic reforms and a major economic development program were promulgated.

The reform program included steps to lift controls on the peso and on import licensing, to permit remittances of capital, profits and salaries, and to revise tariffs.

It also proposed measures against graft, corruption, and inefficiency.

The "Filipino First" Policy, which had seriously interfered with foreign investment, gave way to encouragement of foreign investment activities.

### *Peso Stabilizing*

The value of the peso is tending toward a stable level of between 3.5 and to 4 pesos per dollar, credit is exceptionally tight, and imports are declining.

The threat of inflation is, however, still present. The new Administration's 5-Year Economic Development Program provides for a high rate of domestic and foreign investment (16% of GNP), and a substantial inflow of foreign capital, which will be supplemented by a liberal Government program of investment. The GNP is planned to increase by 6% annually.

Efforts to halt the decline of foreign exchange reserves, which shrank to less than $100 million at the year's end, have been only partially effective.

An economic stabilization mission headed by Finance Minister Fernando Sison, despatched to the United States early in January 1962, successfully negotiated a sizeable stabilization loan from U.S. Government, private U.S. commercial banking, and International Monetary Fund sources.

During the second half of 1961, industrial production was sluggish. Except for textiles, non-durables output declined while durables barely exceeded the previous year's level.

Sharpest decreases were noted in stone and glass products and transportation equipment.

Cement, metal products, and machinery production increased.

### *New Products*

For the first time, the Philippines produced optical lenses, tinplate, TV tubes, and extruded aluminum products.

Mine output and agricultural production increased moderately. Sugar and copra output was high, but rice production was insufficient to meet local needs.

U.S. exports to the Philippines, at $329 million in 1961, continued the upswing begun in 1959. Nearly all export categories shared in the gains, but the most dramatic increase occurred in sales of machinery and vehicles, which jumped 35% over the 1960 level to nearly $106 million.

Sales of electrical machinery, industrial machinery, and trucks and tractors also increased noticeably.

In the foods category, U.S. sales of wheat doubled while flour imports continued to decline, reflecting stepped-up milling operations in the Philippines. U.S. exports of canned fish to the Philippines were down 65%.

Sales of cotton textiles, including raw cotton, dropped off from 1960's high level, partly due to tightened restrictions on imports of certain textiles, such as remnants, and to domestic overproduction.

### *U.S. Imports Up*

The increase in U.S. imports from the Philippines, which reached the new high of $321 million, was mainly attributable to increased sugar shipments which rose from $123 million in 1960 to $151 million in 1961.

Moderate increases were recorded in U.S. purchases of copper, canned pineapple, tobacco, plywood, certain textile items, and coconut oil. Other import categories declined.

Copra and coconut meat imports continued the downward trend begun last year, falling by 20%.

### *Missions Come and Go*

Trade missions arrived from Germany, Great Britain, and several Asian countries. The U.S. plans to send a second Trade Mission to the Philippines in the fall of 1962.

The Philippines sent a trade mission to Germany, participated in the International Trade Fair in Lima, Peru, and agreed to participate in the Century 21 Exposition in Seattle in 1962 and in the New York World's Fair in 1964.

A trade agreement providing reciprocal most-favored-nation treatment was signed with the Republic of Korea, and a commercial treaty concluded with Switzerland in 1957 was put into effect by presidential proclamation. A trade agreement was signed with Pakistan providing for the exchange of some 30 raw materials and finished products.

As part of the economic reform program, President Macapagal signed an executive order on January 21, 1962, increasing tariffs on some 700 import items.

At the same time, tariff reductions of approximately 50% were made on some 50 food, pharmaceutical, and other basic items.

Reasons cited for this tariff action were two-fold: To provide domestic manufacturers with protection against losses resulting from the decontrol of the peso; and to discourage the importation of luxury items.

### *Tariffs Raised*

Under the provisions of the revised U.S.-Philippine trade agreement, the effective rate of duty on U.S. imports rose from 50 to 75% of the normal rate on January 1, 1962.

This increase is not expected to have a marked impact on U.S. exports to the Philippines.

In 1961, American firms participated in the establishment of a multi-million dollar plant to manufacture explosives, constructed the first cement plant in Mindanao, and established a paper mill as a joint venture with a Philippine firm.

Other U.S. firms are planning to establish an aluminum plant and a large-scale fishing and canning operation in conjunction with Philippine capital, and are interested in the fields of fertilizer manufacture and agricultural development.

### *Positive Investment Policy*

Economic reform measures and a positive policy on private foreign investment have made the climate for prospective U.S. participants in the growth of the

Philippine economy exceptionally attractive.

In addition, a foreign investment bill has been submitted by President Macapagal which provides tax exemptions and other incentives for foreign investors in a wide range of basic industries and guarantees remittances of profits and repatriation of capital.

The worst excesses of the "Filipino First" Policy that harrassed certain U.S. business interests in the past seem to have abated.

# Viet-Nam's Trade Hurt By Security Instability

Viet-Nam's economic picture at the end of 1961 was clouded.

Worsening security conditions had a damaging effect on overall economic conditions—prices for certain consumer products increased, transportation was inhibited, domestic trade slackened somewhat with a build-up in inventories of imported goods, and licenses for rice and hog exports were suspended.

However, imports came close to 1960 levels, and the Government assumed a greater share of import financing, which resulted in diminished foreign exchange reserves.

It was an exceptional year for industrial expansion and basic development projects:

- The 7,500 metric ton capacity COGIDO paper mill began production, and construction began on a second paper and pulp mill of equal capacity.
- Expansion in the cotton textile industry is indicated by the increased number of spindles in operation (40,000 in 1960 and 45,000 in 1961).
- Two projected condensed milk plants received Government approval.
- Construction started on two major Government-sponsored projects: the 300,000 metric ton Ha Tien cement plant and the 160,000-kw Da Nhim hydroelectric project.

In November the country's first industrial development bank opened for business.

The outlook for U.S. exports in 1962 is bright. AID's new procurement policy has eliminated major competitive countries from a large portion of the import market.

Inasmuch as U.S. aid will again finance a great deal of Viet-Nam's imports in 1962 (over 50% in 1961) and all funds are subject to the new policy, the U.S. share of total imports is expected to rise substantially above 1960's 25% share and the 27% for the first 11 months of 1961.

Imports totaled $240 million in 1960 and $227 million in the first 11 months of 1961.

This favorable outlook is supported by several factors:

- There are about $40 million in unexpended funds available from three DLF loans, for imports exclusively from the U.S. These loans cover equipment and services for a Saigon water-supply system; 23 diesel-electric locomotives, 64 passenger and freight cars and spare parts for Viet-Nam railways; and a 33,000-kw thermal powerplant with a 69-kv ring transmission line.
- Purchases under PL 480 are expected to continue at a high level. In 1961 close to $19 million worth of flour, tobacco, and dairy products were imported under this act. A new PL 480 agreement, signed in December 1961, provides for imports of $15.2 million ($5.8 million for rice, $7.7 million for condensed and $150,000 for powdered milk).
- Sales possibilities are excellent for such commodities as essential oils, naval stores, pulp and paper, lubricants, greases, paraffin, petroleum jelly, asbestos products, construction equipment, service station equipment, contractors' off-the-road vehicles, books, X-ray films, gasoline engines and fertilizers (potash and phosphate).

### *Exchange Reforms*

The effect of the fiscal and exchange reforms of January 1, 1962, on U.S. imports are not yet discernible, but changes in the character and size of certain categories of imports are expected.

The new system is designed to favor import of essential consumer goods and capital equipment. Other types of goods are discouraged by higher customs duties and an "austerity" tax.

While "limited world-wide" procurement was a distinct advantage to U.S. exports, several difficulties became apparent during the first year of its operation.

Performance so far has indicated that there is a limit to the degree this policy can increase the U.S. share of Viet-Nam's import market.

Certain underdeveloped countries eligible for U.S.-financed imports have shown a competitive advantage over the U.S., particularly with regard to bulk commodities where ocean transportation cost is a major factor in the final price.

The principal beneficiary other than the U.S. has been Taiwan, whose share of imports increased from $5 million in 1960 to $11.3 million in the first 11 months of 1961.

Spain, Portugal, Pakistan, and India became new suppliers in 1961 for pharmaceuticals, chemicals, newsprint, aluminum products, engines and turbines.

Certain types of goods, particularly iron and steel products, are often not available from the U.S. in required sizes and specifications, or only at considerably higher prices.

### *Competition To Increase*

As U.S. aid funds decrease, the Vietnamese market will necessarily become more competitive to Americans.

U.S. suppliers interested in outlets in Viet-Nam must devote considerable attention to the competitive market, particularly to the increasingly important segment of imports financed by the Government of Viet-Nam.

Only by offering more competitive prices, flexible credit terms, faster delivery and tailoring their products to the small but increasing market can the U.S. turn its temporary advantage into a lasting one.

# Trade Outlook For Taiwan Was Never Brighter

The outlook for increased American trade and investment in Taiwan, based on the island's impressive economic performance in 1961, has never been brighter.

The dynamism of the last several years continued at an accelerated pace, and output in every sector of the economy rose sharply. However, some industries overexpanded and had to cut back.

The ambitious third 4-Year Plan (1961-64) paves the way for Taiwan's take-off into a self-sustaining economy.

Leading indicators of economic growth in 1961 were increases in real national and per capita income, industrial and agricultural production, exports, imports and investment.

The principal factors in Taiwan's encouraging performance were:

- The absence of severe natural calamities.
- Halting the inflationary price spiral.
- Responsible policy planning and implementation of legal and financial reforms.
- A visible heightening of domestic and foreign confidence in Taiwan's eco-

nomic future generated by the reform measures and the consistent rapid economic growth under the 4-Year Plans.

### *Economic Reforms*

A number of significant steps were taken in 1961 to carry on the program of economic liberalization inaugurated in late 1959 included: ● Unification of the exchange rate. ● Reactivation of the Central Bank of China. ● Expansion of the functions and services of the Bank of Taiwan to facilitate private industrial undertakings. ● Reduction of bank interest rates. ● Creation and full capitalization of the island's first stock exchange. ● A liberalization of imports.

U.S. traders and investors were quick to respond to improvements in the business climate. Taiwan's total imports increased by $71 million to $323 in 1961, and imports from the U.S. increased correspondingly by $27 million (up 28%) to a record $124 million. The U.S. retained its 38% share of the Taiwan market and remained the island's principal supplier.

### *Investor Stimulants*

Prospects are good for increased U.S. exports as a consequence of four major developments: ● Rapid industrial growth, with heightened requirements for imported raw materials and capital goods traditionally supplied by the U.S. ● Gradual relaxation of import controls, particularly for raw materials. ● Continued population growth, requiring heavier import of food and other consumer goods. ● Adoption of a limited worldwide procurement policy by AID which all but excludes Japan and Hong Kong as suppliers of Taiwan's sizeable U.S. aid-financed imports.

Principal items now supplied by the U.S. include wheat and flour, machinery and tools, raw cotton, beans, vehicles, vessels and parts.

The U.S. Embassy in Taipei has also reported specific U.S. export opportunities for paperboard, shipping containers, high grade kraft liner board, corrugated board, gas appliances, and inedible tallow.

Local traders are reportedly anxious to represent lines of U.S. products as varied as water-conditioning equipment and concrete gun rigs.

### *Begin Delayed Projects*

The greatly improved climate has encouraged a number of U.S. firms to embark on long-contemplated investment plans.

These include a joint $22.5 million investment by two American firms and the Chinese Petroleum Corporation, to manufacture urea and ammonia from natural gas. This will be the largest single foreign investment ever made in Taiwan.

Other American investments in 1961 call for a $750,000 pharmaceutical plant, a $1.2 million industrial dynamite factory, and two oil exploration agreements with guaranteed expenditure of $1 million annually.

Japanese and oversea-Chinese investment interest also increased considerably. Overall, about $31 million worth of investment proposals were approved in 1961, nearly one-third of the total since 1951.

Specific investment opportunities, according to an investment identification team of the Stanford Research Institute, exist in the areas of steel mill products, petrochemicals, plastics and synthetic fibers, water pumps, optical products, electronics, small compressors, sewing machines, fabricated metal products, agricultural machinery, glass products, watches and clocks, and hand tools.

# Thrifty Thais Remain Prosperous; U.S. Trade Chances Are Good

Thailand's economy, heavily dependent upon primary production and exports, remained stable and prosperous during 1961. Thai exports increased, chiefly because of the favorable international price developments for rice (average international prices for rice in 1961 were 11% above 1960), and because of growing markets for corn.

The downward trends in rubber and teak prices affected Thai trade adversely, but did not change the generally favorable trade situation.

Thailand's trade also reaped the benefits of a rising world-wide price of tin.

Imports increased, reflecting both the growing need for machinery and equipment in Thailand's industrial development and rising consumption requirements.

In 1961, Thailand's external trade registered a small deficit, but due to surpluses on other payments on current and capital accounts, gold and foreign exchange reserves in 1961 increased by approximately 22%.

### *High Saving Rate*

Spurred by Thailand's high rate of domestic saving, which in recent years amounted to more than 14% of gross national product, and supported by foreign investment capital and favorable legislation, Thai industrial development made considerable progress in 1961.

The recent liberalization of foreign investment will probably further increase available capital in the future.

Conditions for expanded trade between the U.S. and Thailand are favorable. Similarly, the door is open for increased U.S. investment in the area.

The U.S. Government is lending active support to the expansion of Thai-U.S. trade by opening a Regional Trade Center in Bangkok in May 1962, and by renegotiating the outdated Treaty of Friendship, Commerce and Navigation between the U.S. and Thailand.

Thai exports in 1961 increased by almost 16% over 1960. Rice was the star performer with a 39.3% rise, and estimates for 1962 indicate a growing demand abroad, with resultant higher foreign exchange earnings.

The 1961 corn exports increased by 7.7% over 1960. The minimum export price for corn recently was raised for the second time in 6 months, and the sale of the entire higher-quality exportable surplus appears assured for 1962.

Tapioca exports were up by 53.8%, with greater sales predicted for 1962, and kenaf exports increased by 174% over 1960.

The only major setbacks in the export picture have been rubber and teak, which experienced a decline in demand and price on the world market.

Total 1961 imports amounted to $448 million, 6.5% higher than in 1960. Although the U.S. share of the Thai market declined in 1961, prospects for future trade expansion are favorable.

A great variety of U.S. products have good market potential, in addition to the established items such as machinery and steel, petroleum, food, and chemicals.

Among the products which have sales possibilities are chemicals, fertilizers, canned goods, aluminum building and decorating materials, electric wire and cable, gasoline engines, pumps, plastics, paints, cosmetics, toilet goods, sporting goods, road construction equipment, steel furniture, hardware, and soap and detergents.

The reputation of U.S. products is high. Although price competition is stiff, it can at least in part be met by liberal credit and delivery terms.

### *Industrial Development*

Industrial development is moving ahead. Investment applications to the Government for light industrial projects and for enterprises engaged in automobile assembly, oil refining, printing ink and paint, electric appliances and tourism have increased substantially. Furthermore, the Cabinet approved the Industrial Zone Program and has liberalized legislation governing foreign investment.

# U. S. Trade Balance Improves in 1961

*(Continued from page 741)*

U.S. exports to Canada were $3.8 billion in 1961, slightly under the 1960 level.

Large decreases were felt in exports of machinery, automobiles, and steel-mill products, which increased exports of aircraft and grain were insufficient to offset.

The record grain exports included shipments of wheat for storage and ultimate delivery to Europe via the St. Lawrence Seaway.

Canada is also traditionally our leading import supplier, providing 22% of all foreign goods purchased in 1961. These purchases, which amounted to $3.3 billion in 1961, represented over half of Canada's total exports.

Purchases from that country dipped sharply in the first half of 1961, but strengthened U.S. demand for industrial materials brought a strong second half that produced an overall rise of 3% over 1960 levels.

Principal increases came in petroleum (exempt from U.S. import controls), nickel, and aircraft. The last rise reflected the beginning of deliveries of the Canadian jet cargo plane, the Canadair, to the United States.

Imports of uranium ore, however, declined by 28% reflecting the decline in U.S. Government purchase contracts.

### *Latin America*

The embargo knocked the bottom out of the U.S.-Cuba trade causing U.S. exports to plummet from $224 million in 1960 to $14 million in 1961.

Sales to other Latin American nations rose 3%, due to increased shipments to Argentina, Brazil, and Chile.

Exports to Mexico and Venezuela rose notably in the second half of 1961, but for the year as a whole they failed to reach 1960 levels.

Trade in all products except foodstuffs and medicines was forbidden by the embargo which became effective late in 1960.

Shipments of automobiles, steel-mill products, and chemicals to the other Republics declined; exports of machinery and grains rose substantially.

The increase in grain shipments results from the near tripling of wheat shipments to Brazil, which were financed under the PL 480 program.

Machinery sales increased principally in Argentina last year as that country's industrial rehabilitation and expansion programs moved forward.

Recent U.S. Government aid to Latin America has stepped-up appreciably, mainly through increased Export-Import Bank loans, especially to Brazil, Mexico, and Venezuela, and also through earthquake reconstruction assistance to Chile.

The embargo slashed imports from Cuba to $35 million (from $357 million in 1960).

Imports from the remainder of Latin America were maintained close to the 1960 level.

The abolition of the Cuba sugar quota in July 1960 and the Cuban takeover of a U.S.-owned nickel plant led to the narrowing of U.S. imports mainly to tobacco in 1961. This past February a complete embargo on imports from Cuba was proclaimed.

Sugar imports from the Latin Republics other than Cuba (especially Mexico, Peru, and Brazil) rose by $89 million last year to $223 million.

Meat imports from both Argentina and Mexico also expanded substantially to meet rising U.S. demand.

Coffee and cocoa purchases from Latin America declined in 1961, with both reduced volume and lower price affecting the total value. The largest decreases were in Brazilian and Colombian coffee and in Brazilian and Dominican cocoa.

Iron ore imports fell by 30% in 1961, chiefly due to the high level of U.S. stocks and the reduced operations of steel mills last year.

Petroleum imports from both Venezuela and Colombia declined last year, but inflows from Mexico, not subject to quota, increased.

### *Eastern Hemisphere*

U.S. shipments to the developing countries in Asia, Africa, and Australia in the aggregate rose slightly in 1961.

In the Far Eastern area, sales to Indonesia, the Philippines, Pakistan, and Taiwan rose, but those to India fell by 25% ($483 million), and to Australia by 18% ($318 million).

In the Near East and African region U.S. exports rose to Algeria, Morocco, and Tunisia, but declined to the Republic of South Africa.

The major change in the export pattern to these countries in 1961 was in grains. Export of grains to India dropped sharply in 1961, but U.S. Government shipments to North African countries rose substantially because of drought conditions.

Imports from the developing countries of the Eastern Hemisphere also increased by a small percentage in 1961.

Shipments from Australia, India, and Ghana rose notably and the only appreciable decline was in imports from Indonesia.

Meat accounted for the largest increases from Australia and New Zealand and the Philippines, India, and Taiwan profited from the Cuban embargo by substantially increasing their sugar shipments to the U.S.

Cocoa imports from Ghana and Nigeria rose substantially enough in volume to offset a price decline, and the two countries' cocoa trade increased by two-thirds over 1960.

Crude rubber was the only regional product to suffer a drastic decline during 1961.

Value of imports from Indonesia, Malaya, and Thailand were reduced because of decreased U.S. demand for natural rubber as well as lower prices.

# 3 More 'E' Awards Presented

Congressman John Brademas of Indiana and Deputy Assistant Secretary of Commerce for Domestic Affairs Eugene P. Foley were scheduled to confer the President's "E"-For-Export Award on three Indiana based manufacturers last Thursday in South Bend, Ind.

Blue and white "E" pennants fly atop the offices and plants of Miles Laboratories Inc. (Elkhart), Onan Division of Studebaker-Packard Corporation (South Bend) and Wheelabrator Corporation (Mishawaka).

Individual "E" Citations, signed by Secretary of Commerce Luther H. Hodges and signifying outstanding contributions to the Export Expansion Programs of the U.S., also were awarded.

In presenting the "E" Awards at a meeting of the Michiana World Trade Club, Deputy Assistant Secretary Foley said:

"It is a gratifying privilege to present these awards, which not only attest to the significant contribution that the recipient companies are making to the international trade of the United States, but in a broader sense point to their important role in thus promoting the well-being of our Nation and the Free World.

### *'Expanded Profits'*

"Expanded exports mean expanded profits for our business people, but they do even more than that: every dollar of our foreign sales adds strength to our financial position by reducing our balance of payments deficit, and makes more certain our ability to finance our security obligations overseas.

"Unless we can do this, quite obviously we will have to lessen those commitments, and I do not have to stress the implications of such a course.

"So, in building your own international business, you are not only helping yourselves, but you also are underwriting our national and international security.

"Again may I say thanks to these award-winners, whose business enterprise has earned them the right to join the elite ranks of the President's 'E' recipients. We are confident that these will be but the first of many 'E' flags to fly over the Indiana industrial community."

Winners were selected from among several hundred nominees still under consideration for future awards. Selections were made by Secretary Hodges after consideration by an Awards Committee which included the Departments of Commerce, Interior, and Agriculture, the Small Business Administration, and other government agencies in specialized fields.

### *Two Categories*

Awards are granted in two categories —companies which manufacture products for exports; and companies, individuals, organizations and institutions which work in support of increased exports. For manufacturers, awards are conferred for outstanding export records over a sustained period, breakthroughs in a particularly competitive market, introduction of a U.S.-made product into a new area, and so forth. Non-exporters can win the "E" by demonstrating novel and successful solutions to problems of export promotion, financing, transportation, marketing and so forth.

## *'E' Winners: What They Did*

The new "E" winners, and their records of accomplishment:

MILES LABORATORIES, INC., Elkhart, Indiana, manufacturers of proprietary and ethical pharmaceuticals. Export sales around the world increased more than 80% between 1956 and 1961. Much of the consistent increase is attributed to coordinated international advertising in all media, point-of-sale displays and on-the-spot visits by international salesmen. Development of special products to sell internationally is stimulated by a special committee of the International Division which regularly introduces new goods abroad. The International Division regularly helps small Indiana exporters by freely communicating its know-how gained in the field. The company is active in organizations formed to boost worldwide sales of American products. It contributes towards the export expansion programs of the U.S. Department of Commerce, National Foreign Trade Council, International Trade Groups of New York and Chicago, International Advertising Association, Michiana World Trade Group, and the Mississippi Valley World Trade Council.

ONAN, STUDEBAKER-PACKARD's Division in Minneapolis, Minn., manufacturers of electric generating plants and small gasoline and diesel engines. After 40 years of selling in international markets, Onan embarked on an aggressive and consistent overseas selling campaign of travel and repeat visits to 43 countries. Company marketing specialists are established in 7 countries to produce international advertising sales literature and technical sales manuals in many languages. New products are introduced around the world by custom export manufacturing to meet the needs of international buyers or through licensing agreements. Onan participates in international marketing conferences and attributes its more than 58% increase in export sales to its new aggressive overseas sales program.

WHEELABRATOR CORP., Mishawaka, Ind., manufacturers of blast cleaning equipment and dust and fume control equipment. Extensive travel to its export markets, Wheelabrator reports, resulted in export sales amounting to 10% of all company sales in 1961. In 1953, when Wheelabrator was represented only by two overseas agents, it established its first international export promotion activity. By the end of 1954, the Company was represented in every major industrial market throughout the world. Sales began to grow immediately and set a new record in 1954. Sales promotion through personal visits from Wheelabrator employees supplement its extensive international advertising and publications program all in local languages. In 1958 $1 of every $5 of Wheelabrator equipment sold was destined for export. Again, because of a personal visit by an export sales representative to Japan, substantial sales were made to the Japanese steel industry. In 1961, export sales increased more than 37% over the previous year. Consolidation of all international activities of the Wheelabrator Corp. to achieve more efficient and consistent market penetration is underway.

*A Weekly Roundup of Timely News Items Received From More Than 280 Foreign Service Posts*

# BRIEFS ON WORLD COMMERCE

Because of this special issue, the following departments are deleted: Commodity News; Economic Conditions Abroad; Foreign Government Actions; Trade Fairs, Centers; Transportation and Utilities; U.S. Government Actions.

Included are: World Trade Leads, p. 791; Investment Opportunities, p. 811.

- AFGHANISTAN—Three Afghan trade missions scheduled to visit Far East, Europe, and Africa. Missions to Far East and Europe will try to develop new export markets for Afghan raisins and other dried fruits. In return, Afghans would buy textiles, clothing, bicycles, various manufactured goods, and pharmaceuticals. Mission to Africa, which will visit Gezira project in Sudan and cotton projects in Tanganyika, is especially interested in developing cotton production and sales. Mission also will visit Greek Control Board in Athens.

- ALGERIA—Total investments in petroleum sector in 1961 amounted to approximately $260 million, down 9% from 1960, due principally to a decline in pipeline construction. Drilling increased by 8% and crude oil production jumped from about 66 million barrels in 1960 to over 120 million barrels in 1961.

- BOLIVIA—Construction of 100 new rural schools to begin this month in line with Alliance for Progress program, Ministry of Rural Affairs has announced.

  Ministry of Mines granted authority to create new Division of Iron and Steel to prepare plans for exploiting Mutin iron deposits. Lying on border between Bolivia and Brazil in Department of Santa Cruz, iron deposits are stated to be among largest in world.

- BURMA—Breeding livestock and seeds now importable under open general license (OGL); further liberalization of OGL imports to permit such items as essential equipment and tools used in industry and agriculture expected soon; procedures already simplified for import of industrial raw materials.

  The Burmese Investment Committee will tour neighboring Southeast Asian countries to study possible amendments of Burmese Investment Law to encourage industrial development.

  Control over Commerce Development Corp. and the 9 joint-venture import corporations being transferred from Ministry of Trade Development to Ministry of Supply and Cooperatives. Latter Ministry formed by amalgamation of former Minister of Supply with Ministry of Cooperatives and Commodity Distribution.

- CEYLON—A new agreement with Egypt reportedly provides for exchange of about $1 million in Egyptian oil products for Ceylonese products, primarily tea, over a 5-year period.

  On recommendation of Central Bank of Ceylon, Government considering adopting additional measures to arrest decline in foreign assets. Among proposals now under study are further curbs on holiday travel, transfer of assets, exchange permitted for study abroad, repatriation of capital and income derived by nonnationals from employment or business in Ceylon, and stricter licensing of imports.

- FINLAND—Finland Center Inc. has purchased site in New York for construction of a "Finland House." The 12-story office building, to be started in 2 or 3 years, will house Finnish-American Chamber of Commerce and Finnish travel and information offices. Finnish Consulate General will have offices there.

- FRANCE—Pechiney, large French aluminum and chemical company, and Sylvania

Electric Products Co., New York, have industrial patent agreement for refractory metals used in jet motors, rockets, and missiles, and in other uses involving high temperatures. Under 5-year agreement, each company will exchange patent rights which it holds, as well as information on production methods on certain heat resistant metals which it has developed.

Monsanto Chemical Co. and the French Glaces du Boussois have completed negotiations for reorganization of their joint subsidiary, Monsanto-Boussois. Capital was formerly divided on 50/50 basis between the two companies; the U.S. company now will hold the 99.5% maximum allowed by French law.

The Clark Co., U.S. manufacturer of gear boxes and axles for utility vehicles, will build factory at La Taludiere near Saint-Etienne; operations scheduled to start in 1965.

Dodge Manufacturing Corp., Mishawaka, Ind., manufacturers of power transmission machinery, have formed a company called Soc with Establissement Colmant et Cuvelier, Lille. Colmant-Cuveller-Dodge to exploit Dodge company's patents.

Levitt & Sons, Inc. will build apartment block of 180 units at Saint-Cloud, in addition to one of 200 units at Croix-Nivert and rue Lecourbe, Paris.

- ICELAND—The Althing reportedly will not consider Iceland's relation to the EEC at present session and no further discussion on this subject will take place until the fall session.

- INDIA—Contracts signed for Soviet-financed coal washery at Kathara, Bihar, 300-ton antibiotic plant at Rishikesh, Uttar Pradesh, and surgical instruments plant in Madras. Completion expected early in 1965.

  India announces export quota of 70,000 bales (392 lb.) of Bengal Deshi cotton for shipment through August. Foreign exchange earned to be used for import of about 43,000 bales cotton stapling 1-1/16 to 1-3/16 in. on global tenders.

  India's first streptomycin plant has opened at Pimpri, Maharashtra State, with annual capacity 40 metric tons. Technical assistance by Merck & Co., Rahway, N.J. Plant cost about $4.5 million, of which $2.5 million in foreign exchange cost financed mostly by Eximbank of Washington. Capacity to be doubled in next 2 years at cost of $1.3 million, including $700,000 in foreign exchange.

- INDONESIA—Because of stringent foreign exchange position, as of mid-March the Government had made practically no exchange allocations for routine imports in 1962. Of the 9 so-called essentials (cotton, cotton yarn, textiles, jute, flour, newsprint and other paper, iron bars for concrete reinforcement, cement, and tinplate) allocations have been forthcoming only for tinplate. In addition, limited allocations have been made to procure drugs and pharmaceuticals.

  Fuji Sario Co. of Japan will build a bridge across Musi River at Palembang in South Sumatra, and Toyo Mekaisha Co. of Tokyo will supply machinery and other equipment for a paper plant at Banjuwangi, East Java, with daily capacity of about 30 tons. Both projects, contracted for by Indonesian Government, are to be financed or guaranteed under the reparations agreement.

- IRAQ—A $14 million factory for concrete railway sleepers has been opened. Designed and constructed under Hungarian supervision, factory will produce about 1,000 sleepers daily on a 3-shift basis. Other products will be electric poles, pipes, and concrete blocks.

- ITALY—North American Aviation Co., Los Angeles, setting up wholly owned subsidiary in Turin for maintenance of F-140 equipment.

  A quota has been set of 5,000 metric tons of ferrosilicon-chrome, for import in 1962, with carbon content of not more than 0.1%, at a reduced duty of 4.9% (normal 10.5%).

Further reduction announced in list of goods which require ministerial license when imported from Japan. New liberalization comprised 71 items (reducing Japanese negative list to 216 items) and included fountain pens, phonograph records, pharmaceuticals, and various electrical appliances. Also, Table A (dollar area) import quotas have been opened to Japan.

- JAPAN—Preliminary March figures show exports valued at $406.5 million and imports $532.8 million, increases of $31.5 million and $41.8 million, respectively, from revised figures for previous month.

  A Japan Economic Research Council has been established by Federation of Economic Organizations (FEO), Japan Committee for Economic Development, Japan Chamber of Commerce and Industry, and Japan Foreign Trade Council, for purpose of conducting basic research on changes in world economic pattern arising from the EEC, the U.S. Trade Expansion Act, and Japan's trade liberalization program.

  One of largest fairs to be held in Japan since end of World War II is scheduled for Island of Kyushu from Sept. 28–Nov. 25, commemorating completion of world's 6th longest suspension bridge (between cities of Wakamatsu and Tobata). Fair will cover 50 acres and have as one of principal features a section displaying both U.S. and Russian space developments.

  Japanese firms concluded 185 technical assistance agreements with U.S. firms during 1960 and 1961. Covering average period of 7 to 8 years, most agreements provided for use by Japanese firms of manufacturing techniques licensed by U.S. firms. Techniques and products ranged from manufacture of F–104 jet fighters to wrinkle-resistant cotton textiles.

- LEBANON—A private Lebanese utility company recently completed the Chouen dam and hydroelectric plant on Ibrahim River. The powerplant, equipped with 2 Austrian-manufactured turbine generators of 7,500-kw. capacity each, is third installation constructed on Ibrahim River by this company.

- LIBYA—Potential oil production estimated at 255,776 barrels daily as of March 1. Petroleum Commission further reported out of 424 wells drilled, 172 proved productive. . . . Libyan petroleum exports from Esso's Zelten field, first begun autumn 1961, reached total 7,761,264 barrels as of March 1.

  Williams Bros. Co., Tulsa, won Esso Libya's tenders, estimated at $50 million, for construction 36 in. waterflood pipeline from Mediterranean to Zelten oil field. Project also includes 35,000-kw.-hr. powerplant and subsidiary 20 in. and 6 in. oil well feed lines connecting Raguba oil field with Zelten–Marsa Brego oil pipeline.

- MALAYA, FEDERATION OF—Singer Sewing Machine Co. has formed Malayan subsidiary with authorized capital of $1 million and has applied for pioneer status (exemption from income tax for 5 years). Manufacturing capacity will be 30,000 machines yearly.

- NETHERLANDS—Two British firms, Midland Silicones, Ltd., and Federal Welder Machine Co., Ltd., have decided to establish wholly owned subsidiaries in Netherlands. Midland, one of largest silicone producers in Europe, will establish new sales company in The Hague. Federal Welder, Ltd. plans to construct a 10,000 sq. ft. factory at Amersfoort for producing welding machines.

  Dutch imports in February rose 8% to $417.9 million (1,514 million guilders) compared with February 1961, while exports rose only 2% to $340 million (1,232 million guilders). Resulting trade deficit considerably lower than the $115.1 million (417 million guilders) in preceding month but still was $24.6 million (89 million guilders) more than in February 1961.

- NORWAY—Government recently announced immediate reduction in import duties on

antifreeze and forklift trucks, from 30% to 20%, and from 10% to free, respectively.

Government has sent to Storting bill proposing tax alleviations on allocated investment funds. Proposed bill would permit Norwegian companies to deduct from taxable income the amount of funds set aside in blocked accounts in Bank of Norway for future investment in operating materials, research, and in development of foreign markets.

- PAKISTAN—Investment Promotion Bureau has announced that 92.6% of Industrial Investment Schedule for large-scale industries already has been fulfilled during first 18 months of second 5-year plan (1960–65). Of a total anticipated investment of $597.2 million during the 5 years, $554 million was sanctioned from July 1960 through December 1961. As a result, Government soon will undertake preparation of a new schedule.

  A new copyright law reportedly has been approved for enactment by Pakistan Cabinet. Law, which repeals Copyright Act of 1914, will insure copyright protection for literary, dramatic, musical, artistic, and cinematographic work.

  The Tidewater Oil Co. has begun drilling its first wildcat well near Turbat in Makran region, West Pakistan. Company reportedly has spent more than $6 million in survey work and expects the drilling to cost another $1.5 million.

- PARAGUAY—A 15% increase in minimum wage levels in all industries took effect April 1, and Social Security contributions were raised from 11% to 13% for employers, making an overall increase of 17% in their labor costs. Employee contributions were increased from 5% to 6%.

  National Aviation Council has been created with reported aims of developing national aviation as a means of transportation and securing reciprocal privileges from countries whose airlines now operate in Paraguay.

- SINGAPORE—Two Japanese-sponsored pioneer industries were started recently in Singapore. The Maruzen-Toyo Oil Co. refinery, with daily processing capacity of 20,000 barrels of crude oil, has 30 oil tanks and a 600-ft. jetty capable of receiving tankers up to 35,000 tons. A cement plant, joint venture with local firm, has yearly planned output of 240,000 tons of cement which should provide a major share of Singapore's cement needs for foreseeable future.

- SUDAN—Sudan Bank reported total foreign aid received in 1961 amounted to $23.5 million, of which U.S. supplied $11.5 million; balance granted by World Bank, West Germany, and Yugoslavia.

- SYRIA—The German Concordia and Italian Ozonia Minerolia companies, as well as the American Clark and Atlantic Refining companies have presented a joint offer for further exploration and eventual exploitation of petroleum fields in Gezira area.

- TUNISIA—Four West German economic experts studying projects to be financed by a $7.5 million German loan. Projects include construction of high-tension power network to link Tunis, Sfax, and southern Tunisia, construction of modern fishing port and processing plant at Mahdia, and enlargement of airport on island of Djerba. Interest also shown in providing economic assistance for construction of 3 dams at Siliana, Sidi Aich, and on Oued Mazgha River.

- TURKEY—Ministry of Customs and Monopolies has established new criteria for determining customs duty on used automobiles. The auto's value, which serves as a basis for determining duty, will be calculated by reducing its original value by 20% for first year and by 15% for each succeeding year. Cars worth $400 or less will not be granted an import permit.

- UGANDA—Government announced removal of 25% ad valorem duty on imports of cottonseed oil during period Feb. 16–June 30, for a maximum of 2,000 tons.

## Uruguay Plans To Enlarge Power Collector System

Bids have been invited in Uruguay for supply and installation of equipment to enlarge one substation and for construction of another in a planned 150-kv. power collector system in Montevideo.

The bid call also includes the necessary equipment to extend the substation to the east.

The Administración General de las Usinas Eléctricas y los Teléfonos del Estado (U.T.E.) Paraguay 2431, Montevideo, has requested the tenders.

Bids should be submitted to U.T.E. by 3 p.m. July 20 under tender 5276/62.

Only companies legally established in Uruguay may participate.

Interested U.S. companies should submit tenders through their Uruguay agent or representative.

Tender documents, in Spanish, are available on loan to companies domiciled in the U.S. from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

## Douglas Fir Wanted By South Africa

Bids have been invited by South African Railways for supply and delivery of Douglas firm sawn lumber.

Included in tender A9098 are approximately 2.6 million board ft. of Douglas fir sawn lumber, grades, selected merchantable and merchantable No. 1, sizes ranging from 2 x 9 in. to 18 x 18 in., lengths averaging 17 to 18 ft. for smaller sizes and up to 40 ft. for larger.

Tenders must reach the chairman of the Tender Board, S.A.R., P.O. Box 7784, Johannesburg, by 9 a.m. May 11.

Telegraphic tenders stating name of tenderer, tender number, material offered, and price, received by the board prior to bid closing time, will be considered when confirmed by letter or completed tender documents.

The telegraphic address is SARTEN, Johannesburg.

Copies of the tender are available on loan from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

## *Rails, Sewing Thread, Grass Seed Among Products Requested Abroad*

Several foreign governments, through their authorized procurement agencies, are inviting tenders for items of interest to U.S. suppliers. These opportunities are listed below. With each item, the date given is the closing date on which bids will be accepted.

Bidding instructions, specifications, and other pertinent data are available on loan to firms domiciled in the United States, from the Business Services Division, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C., as indicated by a star (★), or telephone WOrth 7-2381 in Washington.

### Ceylon

**Paper and boards,** 2,300 reels; 9:30 a.m., June 12. Superintendent of Stores, Government Stores Dept., Parsons Rd., Colombo 1. Tender documents available from Embassy of Ceylon, 2148 Wyoming Ave. NW., Washington 8, D.C.★

### Egypt

**Plants,** supply and erection of three modern dehydration and packing plants for semi-dry dates; noon, August 15. The General Organization for Executing the 5-Year Industrial Plan, 6, Khalil Agha St., Garden City, Cairo.★

**Factory, produce slabs** for concrete prefabricated houses; no date. Ahmed Rifaat, Under Secretary, Ministry of Housing and Public Utilities, Ismail Abaza St., Garden City, Cairo.

### El Salvador

**Telegraphic transmitters,** 2; **perforating machines** with Morse code key, 2; tender 81(62), May 3. Proveeduria General de la República, Office of the Proveeduria, Avenida España No. 613, San Salvador. Tender documents in Spanish.★

### *Short Bid Deadlines*

**Notice of opportunities to bid are published as soon as possible after they are received; the deadlines, however, frequently are short. U.S. firms desiring to compete on short deadline bids may wish to cable the contracting office and request an extension.**

**Some importers abroad will accept cable bids, if cable states price and that a formal bid has been air mailed. Sending tenders by air rather than regular mail may ensure being on time.**

**Information on bids, even though the bidding periods are short, has proved useful to many U.S. firms interested in subcontracts or in planning future sales development.**

**Water pipe accessories,** including valves, spigots, flanges, and rings; tender ANDA IM11/62, May 8. Administración Nacional de Acueductos y Alcantarillados (Proveeduria), 2a. Av. Nte. No. 512, San Salvador. Specifications in Spanish.★

### Greece

**Rotary drill rig tools,** various; estimated value $10,000; tender 202, noon, May 15. Ministry of Agriculture, Land Reclamation Service, 60 Kolokotroni St., Athens.★

**Fork lift trucks,** 30 diesel; estimated value $183,500; May 17. Piraeus Port Authority, Piraeus.★

**Jacks,** 2 sets of 4 for lifting railroad cars; estimated value $25,000; noon, May 22. **Creosote oil,** 250 metric tons; estimated value $17,700; noon, May 11. Greek State Railways (SEK), 34 Themistocleous St., Athens.★

**Stator blades for** 15-mw. turbines; estimated value $32,000; tender DEPM/1211, 2 p.m., May 15. **Oil circuit breaker,** 22-kv.; estimated value $8,500; tender PAP/319, 2 p.m., May 10. Public Power Corp. (PPC), Athens-Piraeus Division, 4 Korai St., Athens.★

### India

**Insulators** for high power shortwave aerial curtains and feeders; tender SE-500/M, 11 a.m. May 21.

**Aerial spreaders** for shortwave aerial curtains; tender SE-502/M, 11 a.m., May 21.

**Sharpeners, drill steel,** 2 sets; tender SE-501/M, 11 a.m. May 17.

India Supply Mission, 2536 Massachusetts Avenue NW., Washington 8, D.C. Tender documents available free of charge from this authority.★

**Pressure vessels** for platinum, 15 MR-I cold steel stellite complete quench furnace; tender WP7/1152-B/II, 1 p.m., May 10. Directorate General of Supplies & Disposals, N.I. Building, Parliament St., New Dehli. Tender documents available from India Supply Mission for $1.26, Ref.: No. D/ENQ/442.

**Steel rails,** 115,000 metric tons 52

*(See Rails, page 810)*

# Planned CONSTRUCTION Projects

Supplementary information on items followed by a star (★) is available to U.S. firms domiciled in the United States from Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C., or telephone WO 7-5561 in Washington.

AUSTRALIA—Plans for construction of $550,000 (£250,000) neighborhood **shopping center** in Mitcham announced by Wilfred E. Taplin & Co., Ltd., 50 Pirie St., Adelaide, South Australia. Tenders to be called shortly.★

As part of development of Bolivar sewerage treatment plant, South Australian Ministry of Works planning to call tenders this month for construction of main Adelaide-Bolivar **trunk sewer.**

BRAZIL—State of Guanabara to set up **heliport** in São Cristovão district.

COLOMBIA—Associación Nacional de Industriales presently negotiating for $35 million Eximbank loan for construction of **tinplate and steel rolling mill** for Barranquilla. (FCW, Feb. 5, p. 195.)

Empresa Colombiana de Aerodromes (Colombian Airports Corp.) Calle 26, 13B-60, Bogotá, has announced allocation of $2.2 million (19 million pesos) for **airport construction and improvement.** 50% to be used for Barranquilla jet airfield under construction (FCW, July 10, 1961, p. 14), remainder for airports at Cucuta, Monteria, Cali, Abrego, Providericia.

Department of Norte Santander considering possibility of building **rail connection** between Cucutá and La Gloria. Cost of project estimated at $6.4 million.

CONGO—Government and UNOC attempting to get underway $3.4 million PL 480 financed **road repair program** in Orientale Province.

ETHIOPIA—Parsons & Whittemore Inc., 250 Park Ave., New York 17, N.Y., considering establishment of **paper mill** in Ethiopia. Feasibility and site survey to be undertaken before plans can be made final.

GERMANY—Rotterdam-Cologne Pipeline Corp. has announced approval of extending its **pipeline** to proposed Caltex refinery near Frankfurt. Cost of pipeline set at $15 million. (FCW, May 29, 1961, p. 13.) Caltex' address in Germany: Brahmstrasse 3, Hannover.

DEGUSSA-Deutsche Gold-und Silber-Scheideanstalt (vormals Roessler), 9 Weissfrauenstrasse, Frankfurt/Main, to construct **chemical plant** near Bonn at Wesseling to produce acrolein from propylene.

ENI subsidiary Snam Progetti S.p.A., Milan, Italy, to be in charge of construction of ENI's $37.5 million **refinery** at Ingoldstadt.

Wintershall AG requests extension of Marseille-Karlsruhe **pipeline** to its proposed Mannheim refinery. (FCW, Nov. 27, 1961, p. 12; Jan. 22, 1962, p. 112.)

Ruhr Gas AG to construct 300-mile, $20-million **gas pipeline** from Darmstadt to North Bavarian communities.

HONG KONG—Fuji Marden Co., Ltd., joint Hong Kong-Japanese venture, plans to set up $700,000 **steel rolling mill.**

INDIA—Everest Refrigerants, Ltd., Bombay, and Technical Enterprises, 31 South, New York, N.Y., to establish **plant** at Bombay to manufacture freon gas, other chemicals. Cost set at $1.14 million.

INDONESIA—Bank of Indonesia, Djakarta, discussing possibility of joint venture with British interests for construction of **tourist hotel** at Lake Toba, North Sumatra.

ITALY—Consolidated Bowling, Niagara Falls, N.Y., establishing **bowling centers** in Italy. Will purchase in U.S. equipment valued at $1.6 million.

JAPAN—Eastman Kodak, 343 State St., Rochester, N.Y., and Gevaert of Belgium arranging to establish **color film laboratories** in Japan.

KOREA—AID loan of $20.9 million to enable Korea Electric Co. to construct 132-megawatt **thermal powerplant** at Kamchon, near Pusan.

LIBYA—In addition to recently awarded projects (see Foreign Contract Awards, p. 796), Esso Standard (Libya), Ltd., planning construction of 35,000 kw. **electric powerplant.** (FCW, June 5, 1961, p. 10; Jan. 29, 1962, p. 154.)

MALAYA—Malayan Marine Industries, Ltd., Penang, Malaya, considering building **tuna cannery** and new 1,000-ton **refrigeration unit.** Expansion of firm's **fishing fleet** also proposed.★

NETHERLANDS — Dow Chemicals Co., Midland, Mich., has announced intent to build another **chemical plant** at Terneuzen. Plant to produce plastics, industrial chemicals, other products.

THAILAND—Pending Eximbank approval for $2.1 million loan, construction to begin soon on long-awaited Pan American **hotel.** Write to Pan American Airways Inc., 135 E. 42d St., New York 17, N.Y.

TURKEY—Huhtamaki Yhtma Oy, Kaisaniemenkatu 6, Helsinki, has announced plans to participate in establishing **cold storage warehouse** in Bursa. **Small juice factory** in Adana also planned.

**World Trade Week, May 20-26: Consult your local Field Office**

## Australia Calls For Pumping Equipment

Australia has invited bids for supply and delivery of boiler feed pumping equipment estimated to cost more than $900,000.

Contract 1255 covers equipment for use with two 350-megawatt boilers at the Munmorah Power Station as follows:

1. Two 100%-duty boiler feed pumps each capable of delivering 2,550,000 lb. an hour of feed water against a pressure of 2,920 lb. a sq. in. gage (p.s.i.g.) when operating with feed water at a temperature of 286° F.

2. Four 50%-duty electrically driven boiler feed pumping sets each capable of delivering 1,275,000 lb. an hour of feed water against a pressure of 2,920 p.s.i.g. when operating with feed water at a temperature of 286° F.

Separate tenders are to be submitted for both offers indicating what price reduction would apply if both are accepted.

In each case tenders should be for the complete works associated with the respective plant. Tenders for a portion of the work will not be considered.

Bids should reach the Manager and Secretary, Electricity Commission of New South Wales, Box 5257, G.P.O., Sydney, N.S.W., before 3 p.m. July 2.

Plans and specifications are available from that authority for $22.50 a set.

Copies of the documents are available for review at the Office of the Commissioner for New South Wales, 680 Fifth Ave., New York 19, N.Y.

Bid documents, including specifications, are also available on loan from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

This invitation is in addition to two contract bids announced in FCW, Apr. 23, p. 698.

# Vienna Conventions To Promote U.S. Products

A number of international congresses to be held in Vienna in May will offer opportunities for promoting American exports.

The organizers of these congresses have stated their willingness to distribute sales promotional and technical literature to participants.

The following conventions are scheduled:

1. 7th General Assembly of International Confectionery Manufacturers; May 10-12; V. Schmidt & Soehne, Vienna IV, Argentinierstrasse 48; 400 participants.

For information write Dr. Pataki, c/o Fachverband der Suesswarenindustrie, Vienna III, Zaunergasse 1-3. He will accept sales literature on machinery for the production and packing of confectionery.

2. General Assembly of the International Federation of Stationers Associations (IFOSA); May 14-16; Austrian Federation of Stationers; 70 participants.

Write Dr. Ploetzer, c/o Bundesgremium des Papierhandels, Wien I, Bauernmarkt 13.

3. International Seminary on Cattle Diseases; May 17-19; Institute of Veterinary Medicine in Vienna; 500 participants.

Write Sekretariat der Rinderklinik, Tieraerztliche Hochschule, Vienna III, Linke Bahngasse 11.

4. International Congress on Plant Protection; May 29-30; Austrian Institute for Plant Protection; 60 participants.

Write Bundesanstalt fuer Pflanzenschutz, Vienna II, Trunnergasse 5.

## *Uganda Firm Seeks Bids On Galvanized Piping*

T. D. Dalwadi, Dalwadi & Co., P.O. Box 700, Jinja, Uganda, is interested in receiving quotations for the supply and delivery of 365,000 ft. of screwed and socketed galvanized piping ½ to 4 in., in sizes.

His firm acts as sales and commission agent and desires these quotations in order to submit a bid to the Tanganyikan Government for the period July 1, 1962, to July 30, 1963.

## *Tenders Requested in Colombia For Dam Construction*

Bids have been invited by Colombia for construction of the Miraflores Dam.

The dam, an earth structure, will be located on the Tenche River about 120 kilometers northeast of Medellín.

The work includes:

1. Excavation of a 950-meter-long tunnel with an inside diameter of 3.5 meters, and a 50-meter-deep vertical well for deviation of the river and draining of the dam site.

2. Excavation and coating of a 505-meter-long tunnel with an inside diameter of 2.3 meters, and two vertical wells, 25 and 60 meters deep, for control work.

3. Moving of about 1.7 million cubic meters of earth from the project excavation and placing of approximately 1 million cubic meters of earth on an impacted rampart.

4. Placing of some 1,200 cubic meters of concrete on the exterior structures.

The work is scheduled to start this August, with its completion set for the spring of 1965.

Bids, accompanied by an earnest bond of $120,000, should be submitted by 5 p.m., June 28, to Empresas Públicas de Medellín, Medellín.

Bidding documents, including the terms of the contract and specifications, may be obtained from the Departamento de Planeación, Empresas Públicas de Medellín for $60 a set.

Copies of the bid invitation, in Spanish, containing additional information are available on loan from the Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

# Iceland Invites Tenders For Water Meter Supply

The Reykjavik Purchasing Center is inviting tenders for the supply of water meters for extension of the Reykjavik hot water system.

The invitation calls for 5,530 meters of various nominal widths of 15 to 80 mm., with delivery of varying amounts each year through 1965.

Bids should be submitted by 6 p.m. May 11 to the Purchasing Center at Tjarnargata 12, Reykjavik.

The meters will be used in a hot water service system with natural hot water and will register in cubic meters.

Maximum working pressure will be 10 kilos a square centimeter and maximum temperature will be 95° C.

### *Must Be Accurate*

The meters will be fitted with a built-in stainless-steel filter; they must be accurate and durable, with a 1-year minimum guarantee.

The register will be closed in to avoid fluid contact with the water being measured.

Offers should include illustrations and complete descriptions of the chief characteristics of the meters; samples of the smallest type of meter are required.

Delivery in 1962, totaling 1,215, is desired in a single lot before the end of August; quantities for other years should be delivered in two equal portions.

Offers shall specify f.o.b. price in Icelandic currency (43 krónur=$1) for each size and total price, as well as terms of payment and port of delivery.

Additional details, including the analysis of natural hot water used in Reykjavik, are available to firms domiciled in the U.S., from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

## India Extends Deadline For Sand System Bids

The Chittaranjan Locomotive Works, Chittaranjan, West Bengal, has extended the bid deadline for tender SFM-62/09/5A-2 from May 16 to June 15 for supply, erection, and commissioning of a sand system to handle new and foundry sand. (FCW, Apr. 16, p. 650.)

# Bid Invitations on DEVELOPMENT LOAN FINANCED PURCHASES

**Lending functions of Development Loan Fund transferred to AGENCY FOR INTERNATIONAL DEVELOPMENT (AID) U.S. Department of State**

Foreign borrowers under U.S. Development Loans invite tenders, either directly or through their authorized agents, covering loan financed purchases.

Supplementary information, as indicated by a star (★), may be obtained on loan by firms domiciled in the United States from the Business Services Division, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C., or telephone WOrth 7-2381 in Washington.

### *India*

**Electrical testing sets, laboratory equipment** for Dhuvaran Thermal Power Project of Gujarat Electricity Board, Baroda. **U.S. source.** Tender S/89/DLF. May 23. India Supply Mission, 2536 Mass. Ave., NW., Washington 8, D.C. where tender forms, including specifications, may be obtained free.

Single spindle automatic **lathe** A-25 with standard accessories, equipment; **nut-tapping automatic,** Model MGA 512; automatic nut **countersinking machine; hydraulic die-casting machine;** Universal **tool-milling machine, tool and cutter grinder.** Loan 144; worldwide. Ref. NSIC/HP/2B-2541/62. May 17. National Small Industries Corp., Ltd., Rani Jhansi Rd., New Delhi 1.

**Air compressors,** 2; **after coolers,** 2; **automatic moisture oil trap,** 2; **activated carbon filters,** 2; **air receiver; absorption dryers,** 1 set; **prefilter; after filter.** Loan 162; **U.S. source.** Tender PB/360/TP-319/SD-1119/MP. May 31. Fertilizer Corp. of India, Ltd., Purchase Dept., Trombay Div., Prabhu Kunj, Peddar Rd., Bombay 26, where specifications may be obtained for $2.10 a set (not refundable).

**Plant, equipment** for construction of anchor blocks on pile foundations—Sharavathi Valley Hydro-Electric Project, Jog, Mysore State (first stage). Loan 120; worldwide. Ref. 2/12A/50,360-61. May 31. Government of Mysore, Office of Chief Engineer, Hydro-Electric Construction Projects, Post Bag 60, Race Course Cross Rd., Bangalore. Tender documents may be obtained from India Supply Mission, 2536 Mass. Ave., NW., Washington 8, D.C.★

Automatic **temperature controlling, recording instruments,** 10; automatic **temperature controlling, indicating meters,** 12; automatic **furnace pressure controllers, indicators** with necessary accessories, 5; multipoint **temperature recorder** with accessories, 11; **flow indicator, integrator units,** 5. Loan 157; **U.S. source.** Ref. 41(686)/62-AID-II. IL#AU/GL/MTC/38/DLF/361. May 20. Westerwork Engineering Pvt., Ltd., 5-D, Vulcan Insurance Bldg., Churchgate, Bombay 1.★

Oliver continuous **vacuum filter,** right hand, of 304 stainless-steel construction, 3 ft. dia. by 2 ft. face, with 18 sq. ft. area; stainless-steel **centrifugal pump,** size 1½ in. with flanged connections; **vacuum filtrate receiver; spray condenser, rotary vacuum pump.** Loan 157; **U.S. source.** IL#997540/60/HQ/CG/DLF. Ref. 41(24)/61-AID-II. May 19. Cellulose Products of India, Ltd., P.O. Kathwada, Maize Products, Dist., Ahmadabad. Cable address: CELLULOSE, Ahmadabad.★

"Daniels," 42 ton downstroke **compression molding press;** main ram 5 in. (152 mm.) dia., in close-grained cast iron; complete with all extra accessories. NSCI.HP/2M-2920/62. Delivered at Quilon. Loan 144; worldwide. May 17. National Small Industries Corp., Ltd., Rani Jhansi Rd., New Delhi 1.

### *Israel*

**Motorola equipment,** or equal. Subauthorization 790/1/261.★

Tecumseh, or equal, **compressors:** type B21U AT-4, including mounting parts 2 hp., 265 pieces; type AU16-12-4, 275 pieces; type B32T16, 25 pieces. Subauthorization 790/1/264-266. May 11.

656 ft. Goodyear, or equal, stacker quality 6 ply **conveyor belt,** 200 m.; **IIDNF** with traverse breaker, 36 in. wide, ¼ in. top rubber thickness, 1/16 in. bottom rubber thickness, 42; 750 metric tons an hour capacity for stones minus 14 in. belt speed 350 ft. a min. S/A 790/1/280. May 11.

All above equipment for loan 214; **U.S. source.** Government of Israel Supply Mission, 850 Third Ave., New York 22, N.Y. Attention: N. Nisen. Tenders should refer to S/A number and be prepared on basis of f.a.s. U.S. port of exit. Delivery desired by May 1962. Prices should be itemized and show both trade and cash discounts. Suppliers may devise own forms, in duplicate, for submitting tenders to buyer.

No. 1152 Cutler Hammer, or equal, 7250 **switch** specially modified with 2 wafers; position OFF-ON-ON-OFF 90°, indexing 360°, total C-H Group 0019A; S/A 790/1/271. Mallory, or **equal timers,** BV151-C-3; Subauthorization 790/1/270. 4,000 and 2,500 pcs. respectively. Loan 214; **U.S. source.** May 14. Delivery desired by June 1962. Government of Israel Supply Mission, 850 Third Ave., New York 22, N.Y. Attention: N. Nisen. Follow same procedure as in above paragraph.

### *Pakistan*

High silicon electrical **steel sheets,** hot rolled or cold reduced, fully annealed, uninsulated, maximum total core loss below 1.08 w. a lb., 72 x 36 x .018 in. thickness; foundry **pig iron.** Pending loan; limited **U.S. source.** Credit amount $8,400. May 15. S. Mohammad Din & Sons, Ltd., Shahdara Mills, Lahore. Cable address: NEFANS, Lahore. Quotations should be sent in sextuplicate, duly signed, separately for each item and should be accompanied with representative quality samples.★

**Tinplate** of 30 gage, 125 tons; 40 gage, 5 tons. Sizes 18 x 28 in., 20⅝ x 30½ in., 23 x 28¼ in., 33½ x 27 in., 21 x 31 in., 22 x 32 in. Pending loan; limited **U.S. source.** Credit amount, $26,880. May 15. Hydari Industries, Ltd., House 516, Saddar opposite new Majestic Cinema, Hyderabad.

**Galvanized plain sheets,** size 8 x 3 ft.; galvanized corrugated sheets, 10/3 x 8 ft.; **mild steel CRCA sheets,** primes, commercial quality, size 8 x 3 ft. gages 22, 24, 28 BG; **tinplates,** primes, coke quality, sizes 18¾ in. x 28 x 30 G., 20 in. x 30 x 30 G.; **galvanized iron wire,** soft, standard specifications, gage 20 BWG. Pending loan; limited **U.S. source.** Credit amount, $32,130. May 14. Pakistan Trading Corp., Bunder Rd., opp. Mereweather Tower, Karachi.

**M.S. sheets,** 8 x 3 ft. of 30 USG and 28 USG CRCA bright, dry, oiled, closed. Annealed, pickled, Thomas, quality, packed with waterproof paper in metal container, mounted on strong wooden skids, to be invoiced net for net. Pending loan, limited **U.S. source.** Credit amount, $6,300. May 15. Quraishi & Sons, BB/925 behind Asghar Mall, Rawalpindi.

**Galvanized iron wire,** BWG 24, 26, 28, 30. Pending loan; limited **U.S. source.** Credit amount, $9,450. May 15. Asif Wire Netting Factory, Brandreth Rd., Lahore. Cable address: HARDWARE, Lahore.

Cold, rolled, close annealed, **mild steel sheets,** commercial prime quality (Mette finish), sizes 3 x 8 ft., or 3 x 6 ft., 28 USG; 3 x 8 ft. or 3 x 6 ft., 30 USG. Pending loan; limited **U.S. source.** Credit amount $8,883. May 15. Precision Workshop, 0/47 North Circular Rd., Rawalpindi. Cable address: PRECISION WORKSHOP, Rawalpindi.

**Stainless-steel sheets,** 301 type 18/8 quality soft, 20, 21, 22, 23, 24 gage; **stainless-steel round bars,** soft, ¼, ⅛, ⅜,

9/16 in. diam.; hard, ½ in.; **high carbon steel,** flat, 1 in. thick, 4 in. wide, 1% steel; 5/16 in. thick, 3 in. wide, 1% steel; ¾ in. thick, 3 in. wide, 1% steel; **round bars,** 2½ in. diam., 2 in. diam., 1% steel. Pending loan; limited **U.S. source.** Credit amount, $9,450. May 15. Stainless Cutlery Works, Nizamabad, Gujranwala. Cable address: STAINLESS, Nizamabad.

**Stainless-steel sheets,** AISI 302, 304, or as usually known 18/8 quality (for deep drawing, utensil making), 2B or 2D finish; **stainless-steel bars,** AISI 420, free from cracks, surface and rolling defects; **stainless-steel tubing** (pipes) AISI 302, 303, 304, or alternate offers, suitable sizes for manufacture of hospital furniture, in random lengths 18-21 ft. Pending loan; limited **U.S. source.** Credit amount $10,500. May 15. Union Surgical Co., Court Rd., Sialkot City.★

Cold reduced **electrolytic tinplate primes,** 0.75 lb. coating, 108 lb., **basis** 30 gage, suitable for manufacture of 4 I.G. kerosene tins. Pending loan; limited **U.S. source.** Credit amount, $63,000. May 15. Attock Oil Co., Ltd., P.O. Box 4832, Writers Chambers, Dunolly Rd., Karachi.★

**Galvanized plain sheets,** prime, 1.25 oz. zinc coating on both sides, size 8 x 3 ft., gage 28 and/or 30; in original mill packing. Pending loan; limited **U.S. source.** Credit amount, $5,880. May 15. G. S. Sheikh, Tannery Rd., Karachi. Cable address: WISDOM, Karachi. Prices to be quoted f.a.s. a long ton, and freight rate from port of shipment to Karachi to be quoted separately.

**Coke tinplate,** 1.25 coating, 18¾ x 28 in., 66%; 20 x 30 in., 34%. Thickness, USG 30-107 lb. Pending loan; limited **U.S. source.** Credit amount, $8,148. May 15. Machine Tools Manufacturers Factory, Madha Chamber, Bunder Rd., Karachi. Cable address: STEELPOLES, Karachi.

**Stainless-steel bars,** according to B.S.S. EN-56.B, sizes ½ x ¼ in., ½ x 5/16 in., 3/8 x ½ in., 3/8 x 5/8 in., 1 x ¾ in., 1 x ½ in.; **stainless-steel sheets,** type AISI-420, size 18 gage, 2,000 lb.; type AISI-302, size 18 gage, 2,000 lb. (both sides fully polished). Pending loan; limited **U.S. source.** Credit amount, $12,600. May 15. Hilbro, Ltd., Kulluwal Rd., Sialkot City, W. Cable address: HILBRO, Sialkot.★

**Wire rod, chain wire,** in ¼, ⅜, 5/16, 5/32 in. Pending loan; limited **U.S. source.** Credit amount, $8,400. May 16. Halda Valley Traders, Tejgaon Industrial Area, Dacca. Cable address: BOMB, Dacca.

**Electrolytic tinplate,** coating 0.50 lb. per basis, box size 28⅛ in., plus ¼ in., NIL by 18¾4 in., plus ⅛ in., NIL 30.58 in., ¼ in. NIL by 20 5/16 in., plus ⅛ in., NIL. Tinplate thickness should be 0.0 118 in., 108 lb. per basis, box with tolerance 10% of thickness. Pending loan; limited **U.S. source.** Credit amount, $569,121. May 17. Burmah Oil Co., Chittagong. Cable address: PAKTRADOLL, Chittagong.

## *Korean Government Opens 4 Tenders To U.S. Bidders*

Three new tenders, estimated to cost $179,708, have been opened to U.S. bidders by the Government of Korea.

- Invitation KFX-2031-S, estimated to cost $16,336, calls for supply and delivery of 23 horses for mounted police; bid deadline is May 10.
- Invitation KFX-2032-S, estimated to cost $145,572, calls for supply and delivery of 2 condensate vacuum pump units for heating sets, 1 water chiller, 1 cooling tower, 1 public address system, all with accessories and related parts; bid deadline is May 11.
- Invitation KFX-2034, at an estimated cost of $17,800, covers 17,800 pounds net of anticoagulant, coumarine compound or equal; bid deadline is May 14.

Bids should be submitted to the Office of Supply, Government of the Republic of Korea, Seoul.

Copies of the tenders may be obtained from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

**G.P. sheets,** 1.25 oz. or 0.6 oz. zinc coating, 3 x 6 ft., BG, 30, 31; **B.P. sheets,** 3 x 6 ft., gage 24, 26. Pending loan; limited **U.S. source.** Credit amount, $7,140. May 16. Mohajereen Engineering Works, Bibirhat (Refugee Camp), West Sholashahar, P.O. Amin Jute Mills, Chittagong.

Prime quality, **galvanized steel sheets,** flat, zinc coating, 1.25 oz. a sq. ft., GSG/BG 30, 31, quantity, 100%, size 3 x 6-10 ft. Pending loan; limited **U.S. source.** Credit amount $15,750. May 16. Biju Metal Industry, P.O. Sebarhat, Kazir Kyill, Noakhali.

**Galvanized corrugated steel sheets; mild steel angles; mild steel plates; galvanized steel pipes.** Pending loan; limited **U.S. source.** Credit amount, $35,490. May 16. Rahmania Trading Co., 172 Khatunganj Rd., Chittagong. Cable address: KAMYAB, Chittagong.★

**Galvanized iron/steel flat (plain) sheets,** 1.25 oz. coating, of 3 x 6 ft. sizes of USG-31 gage. Pending loan; limited **U.S. source.** Credit amount, $9,833. May 10. M. A. Rashid & Co., 242 Feringhee Bazar Rd., Chittagong.

**M.S. plate,** 8 x 4 x ⅛ in; **G.P. sheets,** 8 x 3 x 24-28 gage; **M.S. sheets,** C.R.C.A. 8 x 3 x 12-30 gage. Pending loan; limited **U.S. source.** Credit amount, $5,040. May 10. Imauddin Azimuddin, behind Luxmi Bldg., Bunder Rd., Karachi.

**M.S. black sheets,** cold rolled, close annealed, oiled and pickled bright finish, deep drawing quality for manufacturing steel drums, in various sizes. Pending loan; limited **U.S. source.** Credit amount, $10,761. May 10. Lotia Industries, B/45, S.I.T.E., Manghopir Rd., Karachi. Cable address: RELIGION, Karachi.★

**Plain galvanized steel sheets,** commercial quality, commercial coating (1.25 oz. a sq. ft.), in unwrapped lifts of approx. but not exceeding 6,000 lb. 30 BG x 3 x 8 ft. Pending loan; limited **U.S. source.** Credit amount, $17,220. May 10. M. E. Dadabhoy & Sons, P.O. Box 3, Jehangir Kothari Bldg., near Denso Hall, Bunder Rd., Karachi. Cable address: AYDASAN.

**Prime galvanized plain sheets,** commercial quality, basic open hearth manufacture, zinc coating of 1.25 oz. a sq. ft. both sides in various sizes; **prime galvanized corrugated sheets,** commercial quality, basic open hearth manufacture, zinc coating of 1.25 oz. a sq. ft. both sides—10/3 in. corrugation ¾ or ⅝ in. deep. Length of sheet, 8 ft.; width before corrugation, 3 ft.; after corrugation 2 ft. 8 in.; **prime mild steel sheets** CRCA and/or HRCA, commercial quality, open hearth manufacture. Pending loan; limited **U.S. source.** Credit amount, $62,790. May 10. Volkart Bros., McLeod Rd., P.O. Box 4666, Karachi.★

**Sand cast pig iron; M.S. sheets,** ordinary Thomas commercial quality or any equivalent quality, size 8 x 4 x 18 G or 6 x 3 ft. x 18 G—5 tons and 8 x 4 ft. x 16 G—5 tons; HRCA **M.S. plates; steel shaftings,** round, bright, polished, annealed, rough turned to measure with usual tolerances, in various sizes, qualities; **M.S. girders,** ordinary Thomas commercial quality or any equivalent quality, high speed steel 18 or 22% tungsten. Pending loan; limited **U.S. source.** Credit amount, $66,460. May 10. Meghna Engineering Works, Ltd., 79 Nandankanan, opposite White House, Chittagong. Cable address: AMRELIWALA, Chittagong.★

**Black annealed iron wire** (M.S. black wire annealed), coils, BWG 4, 5, 8, 9, 10; **high speed steel,** 22% tungsten, flat, round bars in various sizes. Pending loan; Limited **U.S. source.** Credit amount, $54,600. May 10. Zubeda Engineering Works, 79 Nandankanan, Chittagong. Cable address: AMRELIWALA, Chittagong.★

**M.S. billets** to specification SAE-1020,

## FOREIGN CONTRACT AWARDS

Several Governments abroad have awarded contracts for construction work and supply of equipment, materials, and services. Although most of the work will be performed by the contracting parties, additional firms may be called upon to furnish assistance or services.

Supplemental information may be obtained on items designated by a star (★) from the Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C.

AUSTRALIA—Two contracts totaling nearly $500,000 (£205,000) awarded by South Australian Ministry of Education for construction of two **schools** in Adelaide suburbs. Recipient firms: Metro Building Co., Ltd., 44 Main North Rd., Prospect, South Australia; Combe & Kramer, Ltd., 20 Willow Ave., Manningham, South Australia.

South Australian Ministry of Works awarded over $1.8 million contract for erection of **buildings** to comprise first part of $25 million (£11 million) sewerage treatment plant at Bolivar, near Adelaide, to M. C. Wood, Ltd., Builders & Contractors, 83 Morphett Rd., Camden Park, South Australia.

CEYLON—List of contracts awarded for **pharmaceuticals, chemicals** available.★

CHILE—German consortium Lurgi and Ferrostaal have received contract for **electrolytic copper refinery** adjacent to Las Ventanas smelter. Write to National Mining Enterprise, Santiago.★

ECUADOR—Ministry of Public Works, according to local press reports, named Tippets, Abbott, McCarthy & Stratton, 375 Park Ave., New York 22, N.Y., as Ministry's engineering consultant.

GERMANY—Rotterdam-Rhine Pipeline Co., Ltd., have given contract for Cologne-Kelsterbach **pipeline** (see Planned Construction Projects, p. 796) to Bechtel Corp., 220 Bush St., San Francisco, Calif.

IVORY COAST—Intercontinental Hotels Corp., 135 E. 42d St., New York 17, to manage 200-room, $750,000 **Cocody Palace Hotel** in Abidjan. (FCW, Mar. 5, p. 384.)

KUWAIT—Contract for construction of **runways, control and minor buildings and facilities** at Kuwait's International Airport (FCW, Apr. 9, p. 606; Apr. 16, p. 653) let to Societa' Asphalte Bonaficie, Via Boncomtagni 37, Rome.

LIBYA—Tender for 36 in. **waterflood pipeline** to be built for Esso Standard (Libya), Ltd., affiliate of Esso International, Inc., 60 W. 49th St., New York 20, N.Y., from Mediterranean to Zelten oilfields won by Williams Brothers Co., Tulsa Okla. Firm also won Esso's tender on construction of 20 in. and 6 in. **oil well feed lines** from Raguba oilfield, which will connect with Zelten-Marsa Brega oil pipeline. Cost of project originally estimated at $50 million. (FCW, June 5, 1961, p. 10; Jan. 29, 1962, p. 154.)

UNITED ARAB REPUBLIC—Bids for supply and construction of complete, self-contained **power station** to be known as "Cairo West" submitted by Westinghouse Electric, English Electric, English A.E.I., and German A.E.C.

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prime quality, with 28/33 tensile strength, minimum 20% elongation sulphur and phosphorous maximum 0.06% in length of 18 ft. with 10% shorts in 2½ and 2 in. sq. Quantity, 2,406 tons 2 and 2½ in. equally assorted. Pending loan; limited **U.S. source.** Credit amount, $269,419. May 10. Sind Steel Corp., Ltd., Steel House, West Wharf Rd., Karachi. Cable address: SINDSTEEL.★

**Mild steel billets,** length 2 x 2 in. x 18 ft. and above. Conforming to SAE 1020, Thomas and/or open hearth quality, tensile strength 28/32 tons a sq. in., minimum elongation 20%. Pending loan; limited **U.S. source.** Credit amount, $135,450. May 10. Tejgaon Prerolling Co., Ltd., 181/82 Tejgaon Industrial Area, Dacca. Cable address: ALUMINUM, Dacca.

Cold rolled **coke tinplate,** prime U/A quality (seconds up to 10%), 107 lb. basis weight. 1.25 lb. coating, quantity about 50 tons, size 18¾ x 28 in., about 70% and 20 x 30 in., about 30% of total quantity, **electrolytic tinplate,** prime (up to 10% seconds), 100 base weight, coating, 1.25 lb., size 18¾ x 28 in., total quantity of 10 tons. Pending loan; limited **U.S. source.** Credit amount, $12,198. May 12. Zamin Traders, off Lawrence Rd., Karachi.

Cold reduced **electrolytic tinplate,** 0.75 lb. coating, 108 lb. basis, unassorted; sizes, sides 18⅞ x 28 in., ends 20⅛ x 30 3/16 in.; for manufacture of 4 IG kerosene tins. Pending loan; limited **U.S. source.** Credit amount, $48,971. May 12. Burmah Shell Oil Storage & Distributing Co. of Pakistan, Ltd., McLeod Rd., Karachi 2.★

Cold rolled, close annealed **mild steel sheets,** pickled and oiled, size 8 x 3 ft. Pending loan; limited **U.S. source.** Credit amount, $5,250. May 12. Ikhlaq Cycle Co., Regd., Nila Gumbad, Lahore.

**High silicon electrical steel sheets,** hot rolled or cold reduced; **foundry pig iron; mild steel plates, plain,** hot rolled or cold reduced, fully annealed; **prime mild steel black wire; prime galvanized steel wire, prime bright drawn steel wire.** Pending loan; limited **U.S. source.** Credit amount, $66,150. May 12. S. Mohammad Din & Sons, Ltd., Shahdara Mills, Lahore. Cable address: NEFANS, Lahore.★

**Galvanized plain sheets,** size 8 x 3 ft., 1.25 oz. zinc coating, U.S. standard specification; gage, 24 BG. Pending loan; limited **U.S. source.** Credit amount, $13,230. May 12. A. Hasheem & Co., Serai Rd., Karachi.

**Mild steel core wire,** 6 SWG (.192 in.); 8 SWG (.160 in.). Pending loan; limited **U.S. source.** Credit amount, $25,410. May 12. Pakistan Oxygen, Ltd., West Wharf Rd., P.O. Box 4845, Karachi 2. Cable address. GAS, Karachi.

Prime quality, **galvanized steel sheets,** flat, zinc coating 1.25 oz. a sq. ft. on both sides; BG/GSG 28, 29, 30, 31, 32, sizes 36 x 72-120 in. Pending loan; limited **U.S. source.** Credit amount, $7,612. May 12. Zaman Metal Industries, 9 Bandle Rd., Chittagong, East Pakistan.

Cold drawn bright **steel shafting bars,** in lengths 18-22 ft. to AISI C-1018, with tolerance +.000-.004 in., in various sizes. Pending loan; limited **U.S. source.** Credit amount, $9,660. May 12. Guest, Keen & Nettlefolds in Pakistan, Ltd., Bunder Rd., P.O. Box 228, Karachi.★

**M.S. billets,** open hearth, prime quality, conforming to SAE-1020 tensile 28/33 tons a sq. in., minimum elongation 20%, size 2 in. sq. in standard length of 18/20 ft. with usual maximum 10% shorts with works test certificate and heat mark number on each billet. Pending loan; limited **U.S. source.** Credit amount, $428,557. May 12. Atamaqbool Industries, Ltd., 4 West Wharf Rd., Karachi 2. Cable address: MAQFAIS, Karachi.

Cold rolled prime U/A quality **coke tinplate,** 1.25 coating, temper 3, size 18¾ x 28 in., 107 lb., 1,440 boxes of 112 sheets each; 20 x 30 in., 107 lb. base weight, 480 boxes of 112 sheets each. **G.I. wire,** soft wire commercial quality of 8 BWG in coils of 1 cwt. Pending loan; limited **U.S. source.** Credit amount, $45,129. May 12. General Metal Industries, Udhawdas Terachand St., Lawrence Rd., Karachi 3. Cable address: CONTAINER, Karachi.

**Galvanized steel sheets,** plain, price conforming to ASTM-A-92-58T, zinc coated 1.25 oz. a sq. ft. on both sides (commercial quality), gage and sizes, 24 x 3 ft. x 8 ft., 26 x 3 ft. x 8 ft., 28 x 3 ft. x 8 ft., 30 x 3 ft. x 8 ft. Pending loan; limited **U.S. source.** Credit amount, $15,540. May 12. H. Alberali & Co., Ltd., Lotia Bldg., Serai Rd., Karachi.

**M.S. plates** (sheets) to ASTMA-7 and/or ASTM-A-415-58T, with works test certificate supplied, in various sizes; **M.S. plates** to ASTMA-7, with works test certificate supplied; open hearth, cold rolled **carbon steel sheets, extra** deep drawing and/or drawing quality special killed, oiled, single paper wrapped in metal units, 49½ x 39 in. x .0356 in. Pending loan; limited **U.S. source.** Credit amount, $8,820. May 12. United Steel Co. (Pakistan), Ltd., McLeod Rd., Karachi.★

**G.C.I. sheets,** bright new material, A grade, 1.25 zinc coating, in skids of maximum 1 ton of 2,240 lb., (quota per long ton of 2,250); **G.P. sheets,** bright new material, A grade, commercial quality, 1.25 zinc coating, in skids of maximum 1 ton of 2,240 lb.; **M.S. plates,** commercial quality, bright new material, A grade, in skids of maximum 1 ton of 2,240 lb. Pending loan; limited **U.S. source.** Credit amount, $14,700. May 13. M. E. Dadabhoy & Sons, 12 Terry Bazar, P.O. Box 104, Chittagong. Cable address MEDSONS, Chittagong.★

**M.S. angles,** commercial quality in standard length of 21-24 ft.; **M.S. tees,** commercial quality, in standard length of 21-24 ft.; **G.I. pipes,** galvanized, standard weight, steel continuous welded pipes, as per ASTM, 120 with one coupling per length, each length 20 ft. Pending loan; limited **U.S. source.** Credit amount, $63,000. May 13. Amin Agencies, Ltd., 599 Ramjoy Mohajan Lane, Khatungonj, Chittagong. Cable address TIETZAMIN, Chittagong.★

**G.C.I. sheets,** 26 USG, 24 USG, sizes 6-10 ft. x 3; **G.P. sheets,** sizes 8 ft x 4 x 16 USG, 6 ft. x 3 x 28 USG and 30 USG; **M.S. plates,** sizes 8 x 4 ft. x ⅛ in.; **G.I. pipe,** size ½ in. diam. Pending loan; limited **U.S. source.** Credit amount, $19,530. May 13. General Iron & Steel Co., Nandan Kanan, Chittagong.

**M.S. billets,** size 2 x 2 in. and 2½ x 2½ in. sq., 1,294 tons of 2,240 lb. each. Pending loan; limited **U.S. source.** Credit amount, $144,962. May 13. Star Rolling Mills, Ltd., Old Queens Rd., Karachi. Cable address: ROLLING, Karachi.★

**Galvanized plain sheets; galvanized corrugated sheets; mild steel plates; mild steel joists; CRCA sheets; tin plates prime coke; mild steel black pipes,** seamless, threaded with sockets to BSS; **G.I. pipes,** seamless; **pipe fittings, pig iron.** Pending loans; limited **U.S. source.** Credit amount, $661,500. May 12. Pakistan Industries, Ltd., Jubilee Insurance House, McLeod Rd., Karachi. Cable address: FANCIES, Karachi.★

**Pig iron, M.S. blooms, alloy steel** (tool); **M.S. plates, M.S. sheets.** Pending loan; limited **U.S. source.** Credit amount, $31,290. May 12. Ittefaq Foundry & Workshop, 90 Railway Rd., Lahore. Cable address: ITTEFAQCO, Lahore.★

**Galvanized plain sheets,** 0.8 or 1.25 oz. zinc coating, 3 x 6 x 30 GSG, 3 x 6 x 31 GSG. Pending loan; limited **U.S. source.** Credit amount, $15,330. May 12. Eastern Iron Works, Chittagong. Cable address: ELDORADO.

**Body plate,** 28½ x 18⅝ in., 464 long tons approx., 107 lb. base, open hearth steel/cold reduced, 0.50 lb., electrolytic tinplate, bright finish; **end plate** 30⅜ x 20¼ in., 180 long tons approx., 107 lb. base, open hearth steel/cold reduced, 0.50 lb., electrolytic tinplate, bright finish; No. 9 **steel and wire,** 10 tons, gage (0.148 in. or 3.763 mm. diam.), galvanized, smooth wiped. Pending loan; limited **U.S. source.** Credit amount, $130,210. May 12. Caltex Oil (Pakistan), Ltd., Qamar House, Bunder Rd., P.O. Box 4778, Karachi.★

**G.P. sheets,** 8 x 3 ft. x 26 G, 2 oz. zinc coating, 8 x 3 ft. x 28 G, 8 x 3 ft. x 30 G. Pending loan; limited **U.S. source.** Credit amount, $10,290. May 16. Paramount Corp., 110-A Gardhandas Market, Karachi.

**Galvanized corrugated sheets,** conforming to ASTM-A361-58T, zinc coating, 1.25 oz. a sq. ft. super both sides. Pending loan; limited **U.S. source.** Credit amount, $126,000. May 16. Dawood Corp., Ltd., 92 Sadarghat Rd., Chittagong. Cable address: YARNSUP.★

**Galvanized corrugated sheets,** 1.25 oz. zinc coating; **galvanized plain iron/steel sheets.** Pending loan; limited **U.S. source.** Credit amount, $10,080. May 16. M. Barkatali & Co. (Pakistan), 21 Jinnah Ave., Dacca 2. Cable address: BOMB, Dacca.★

**Galvanized corrugated iron sheets,** zinc coating 1.25 oz. a sq. ft., double face of 26 gage; **galvanized plain sheets** of 30 or 31 gage, zinc coating 1.25 oz. a sq. ft., double face size 3 x 6 ft.; **galvanized iron pipes.** Pending loan; limited **U.S. source.** Credit amount, $58,590. May 16. Hoosen Bros., 343 Khatunganj, Chittagong.★

Prime quality, **galvanized steel sheets,** flat, zinc coating 1.25 oz. a sq. ft. on both sides; USG/BG.30, 31; size 3 x 6-10 ft., quantity 100%. Pending loan; limited **U.S. source.** Credit amount, $5,210. May 16. Mortuza Industrial Works, 15 Roomghata, Chittagong.

Bright, hard, soap-drawn **steel wire,** SWG 6, approx. 95 tons; SWG 12, 5 tons. Pending loan; limited **U.S. source.** Credit amount, $22,680. May 16. Pakistan Welding Electrodes, Ltd., Plot E/19. S.I.T.E. Mauripur Rd., Karachi.★

**Foundry grade pig iron, steam pipe,** size ½-8 in. Pending loan; limited **U.S. source.** Credit amount, $6,300. May 16. Karnafully Engineering Works, Ltd., 89 Strand Rd., Chittagong. Cable address: KEW, Chittagong.★

**Galvanized iron sheets** (plain), zinc coating 1.25 oz. a sq. ft., super both sides, size 8 x 3 ft. x 24G, 26G, 28G, 30G. Pending loan; limited **U.S. source.** Credit amount, $198,000. May 21. Malik Mohammad Din & Sons, 43 The Mall, Lahore. Cable address: MALIK, Lahore or Karachi.

Hot rolled flat bars **spring steel,** round edges, water temper; **pig iron,** foundry quality with average analysis. Pending loan; limited **U.S. source.** Credit amount, $5,670. May 17. Eastern Engineering Works, Quaid-e-Azam Rd., Pathantooly, Chittagong.★

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**World Trade Week, May 20-26: Consult your local Field Office**

# NATO Projects in Germany Opened to U.S. Bidders

Three new projects in West Germany have been opened to U.S. bidders under the international competitive bidding procedure of the North Atlantic Treaty Organization (NATO).

● The first project calls for construction of storage areas and warehouses in Lower Saxony.

The work includes the supply of 540 cubic meters of reinforced concrete and concrete facing, 230 cubic meters of brick work, 500 square meters of roofing, and 3,000 cubic meters of earthmoving work.

Bid deadline is June 15.

● The second project, for fencing in Schleswig-Holstein, includes supply of 7,300 meters fencing (Base), 1,700 meters fencing (POL depot), and 2,500 meters fencing (Admin.); all include gates.

Bid deadline is June 8.

● The third project calls for construction of high-pressure pumping stations in Baden-Wuerttemberg, and two operational high-pressure pumping stations for fuel transfer.

The work consists of mechanical, pipelaying, steel construction, electrical, reinforced concrete, and building and civil engineering work.

It also includes the supply of all construction material, pipe, fittings, equipment, and electrical units, but excludes pump and engine units which are supplied by purchaser.

Bid deadline is June 18.

Eligible firms interested in bidding should submit applications, on a prescribed form, to Bundesamt fur gewerbliche Wirtschaft, Bockenheimer Landstr. 38, Postfach 3931, (16) Frankfurt/Main, Germany.

Firms should quote reference 06 921-10/62 before May 9 for the first project; reference 06 921-19/62 before May 4 for the second project; reference 06 787-33/62 before May 7 for the third.

The prescribed forms are available on request from the Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

Firms unable to meet the closing date may wish to cable the U.S. Embassy, Commercial Unit, Bad Godesberg, Germany, of their intent, immediately forwarding the properly filled out prescribed application form.

U.S. firms not already certified to participate in NATO work should send a resumé of their qualifications to the Business Services Division, as described in the brochure of the NATO international competitive bidding program available from that Division.

# NEW World Trade OPPORTUNITIES

● *The firms and individuals named in the following lists have expressed interest in establishing new business connections in the United States.*

*While every effort is made to include only firms or individuals of good repute, the U.S. Department of Commerce cannot assume responsibility for any transactions undertaken with these firms.*

*When available, supplementary information as indicated by a star (★), may be obtained on loan by firms domiciled in the United States from the Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C., or telephone WOrth 7-2381 in Washington.*

*Requests for loan material should include the commodity as well as the foreign firm's name and address. Trade opportunities are indexed under the Standard Industrial Classification (SIC). The SIC Manual, published by the Bureau of the Budget, may be obtained at $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.*

*World Trade Directory (WTD) reports, if available on firms mentioned, are indicated by date of issuance. A description of WTD reports and how to obtain them is given in this department.*

## LEADS FOR EXPORTERS

*Commodities are wanted for direct purchase unless otherwise specified.*

**012 Fruit, Tree Nut, Vegetable Farm Products**

***France***

Fresh fruit, especially citrus. Direct purchase and agency. F. Brambilla, S.A. (manufacturer, importer, commission merchant), 10 rue du Col. Driant, Paris. WTD 6/16/61.

***Netherlands***

Oranges, under own label; 4,000-6,000 cartons weekly. Vereniging Van Grossiers Voor Het Algemeen Levensmiddelenbedrijf "De Nederlandse Brug Centrale" (association importing distributor), H 143 Centrale Markt, Amsterdam. WTD 12/21/61.

Pecans N.V. Handelsvereniging v/h Reiss & Co. (importing distributor), 120-26 N.Z. Voorburgwal, Amsterdam. WTD 12/21/61.

**121 Bituminous Coal**

***Spain***

Pit or bituminous coal, jigged, lump, sifting, duff, pea, for use in siderurgical companies and for manufacture of steam and city gas. Carbones Rose, José Roca (importer, wholesaler), Fontanella, 18-3o, 1a, Barcelona. WTD 3/20/62.

**195 Small Arms**

***Bolivia***

Sporting arms. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340 2° piso, La Paz. WTD 12/21/61.

**196 Small Arms Ammunition**

***Bolivia***

Ammunition for sporting arms. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340 2° piso, La Paz. WTD 12/21/61.

**200 Food**

***Australia***

Nuts, dried fruits, rice, essences. Direct purchase and agency. E. J. Worsley, Pty., Ltd. (importer), 3 Chalmers Crescent, Mascot. WTD 3/30/62.

***British Guiana***

General food provisions, pickled beef, pickled pork, apples, pears, grapes, black-eyed beans, canned meats, Mexican garlic, flour. F.W. Milling & Co. (B.G.), Ltd. (distributor, manufacturer's agent), 30 Main St., Georgetown (P.O. Box 886). WTD 12/16/60.

***France***

All kinds of high-class food products, particularly confectionery. Societe Nouvelle d'Exploitation des Magasins Fauchon (importer, retailer, manufacturer), 26 place de la Madeleine, Paris 8e. WTD 2/8/62.

**201 Meat Products**

***Belgium***

Canned meat for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

***British Guiana***

Pickled meat: boneless briskets of beef in brine, each cut not more than 4-5 lb. Eclipse Agencies (commission agent, manufacturer's representative), P.O. Box 853, Georgetown. WTD 6/12/61.

***France***

Slaughtering plant products: cattle horns, animal hoofs (unshoed, dried), free from waste materials. Leonce Cubilie & Cie. (Ets.) (manufacturer, wholesaler, exporter), Boite Postale 2, Belesta, Ariege. WTD 4/25/61.

Canned meat. Direct purchase and agency. Cabrol Freinet et Cie. (importing distributor), 98 rue de la Victoire, Paris 9. WTD 5/6/60.

***Germany***

Poultry, particularly broilers. Direct purchase and agency. Wolfgang Steinmueller (importer, manufacturer's agent), 101 Schlosshofstr., Bielefeld. WTD 3/28/62.

Frozen poultry of all kinds, canned meat. Gottfried Domgoergen (importer, wholesaler), 120 Bornheimer Str., Bonn. WTD 3/26/62.

**202 Dairy Products**

***Belgium***

Canned milk for Congo Market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

**203 Canning, Preserving Fruits, Vegetables, Seafoods**

***Belgium***

Canned fish for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

Inexpensive canned salmon for Congo market. Jean De Nola (commission merchant), 23 ave. Reine Astrid, Malines. WTD 2/16/62.

***France***

Canned fish. Direct purchase and agency. Ets. J. Fourchtein & Cie. (importer), 94 rue St.-Lazare, Paris. WTD 9/30/59.

Dried fruit; canned fruit, fruit juices. Direct purchase and agency. Ets. J. Fourchtein & Cie. (importer), 94 rue St. Lazare, Paris. WTD 9/30/59.

Dried fruit. Direct purchase and agency. F. Brambilla, S.A. (manufacturer, importer, commission merchant), 10 rue du Col. Driant, Paris. WTD 6/16/61.

Dried beans, lentils, peas; green, yellow. Direct purchase and agency. Societe L. Cahen-Fabrique Lorraine de Legumes Secs Decortiques (wholesaler, importer, exporter, processor), 151 ave. du President Wilson, La Plaine-st-Denis (Seine). WTD 12/28/61.

***Germany***

Canned fish, delicacies, fruit. Gottfried Domgoergen (importer, wholesaler), 120 Bornheimer Str., Bonn. WTD 3/26/62.

*Norway*

Diabetic foods. Direct purchase and agency. A/S Taraldsen & Pay, Ltd. (importing distributor, manufacturer's agent), 6 Prinsensgate, Oslo. WTD 5/9/61.

**204 Grain Mill Products**

*Belgium*

Wheat flour for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

**208 Beverages**

*Mauritius*

Bottled beer, inexpensive popular brand in bottles of 65 and 35 cl. Direct purchase and agency. Associated Traders Co., Ltd. (importing distributor, manufacturer's agent, commission merchant), P.O. Box 244, 20 Jummah Mosque St., Port Louis. WTD 2/2/62.

**209 Miscellaneous Foods**

*Belgium*

Dry yeast, cornstarch for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

*Mauritius*

Soybean oil, 0.15% F.F.A. maximum. Direct purchase and agency. Associated Traders Co., Ltd. (importing distributor, manufacturer's agent, commission merchant), P.O. Box 244, 20 Jummah Mosque St., Port Louis. WTD 2/2/62.

*Pakistan*

Tallow, coconut oil, palm oil. Hussain Chemical Corp., Ltd. (manufacturer), 5 A Shahdin Bldg., The Mall, Lahore. WTD 4/4/62.

**211 Cigarettes**

*Mauritius*

Cigarettes, Virginia type, filter-tipped, plain; inexpensive. Direct purchase with exclusive distributorship. Adam & Co., Ltd. (importer, manufacturer's agent), 1 Queen St., Port Louis. WTD 3/29/62.

**220 Textile Mill Products**

*Belgium*

Textiles, such as cotton, nylon, rayon fabrics for Congo market. Jean De. Nola (commission merchant), 23 ave. Reine Astrid, Malines. WTD 2/16/62.

Cotton, nylon, rayon fabrics; cotton sewing thread; cotton fishing lines; nylon fishing lines; for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

*Ceylon*

Furnishing, drapery materials; c.i.f. value not exceeding $0.41 a yd. J. L. Carwallio (importing distributor), 144 Main St., Colombo. WTD 4/2/62.

*France*

Textile fabrics: silk, velvets, imitation fur plush; ribbons. Ach Freres, S.A. (importing distributor, exporter), 53 rue de Turbigo, Paris 3. WTD 12/21/61.

New fabrics for bathing suits, raincoats. Direct purchase and agency on commission basis. Paulejo, S.A. (commission merchant), 23 rue du Mail, Paris 2e. WTD 12/21/61.

*Germany*

Synthetic yarns for manufacture of bathing suits, corselets, brassiere material, marquisette, curtain material, in 1,000 lb. lots; cotton, rayon, synthetic piece goods for interior decoration, in 1,000 yd. lots. Alfred Duesing GmbH (importing distributor), Ebertallee 10, Hamburg-Grossflottbek. WTD 12/21/61.

Yarn, materials of hemp, jute, sisal, cotton, synthetic fibers. Direct purchase and agency. Karl Schoeberl KG (importer, exporter, wholesaler), 15 Leonbergerstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

**221 Broad Woven Fabric Mills, Cotton**

*Germany*

Canvas. Direct purchase and agency. Karl Schoeberl KG (importer, exporter, wholesaler), 15 Leonbergerstr., Ludwigsburg/Wuerttemburg. WTD 3/28/62.

**222 Broad Woven Fabric Mills, Manmade Fibers, Silk**

*Belgium*

Nylon linings for men's suits. Etablissements Noel Dessart-Lechien (wholesaler, exporter), 32-36 rue de Biseau, Binche. WTD 12/21/61.

**224 Narrow Fabrics, Other Smallwares Mills**

*Germany*

Elastic cord, diam. approx. 1.2 mm.; various lengths between 10 and 20 cm., with metal barbs on both ends for holding display articles; must be sulphur and acid free. Otto Wild KG, Etuifabrik (manufacturer), P.O. Box 2010 753 Pforzheim, Stuttgart. WTD 3/26/62. Sample.★

**229 Miscellaneous Textile Goods**

*Germany*

Manila ropes. Direct purchase and agency. Karl Schoeberl KG (importer, exporter, wholesaler), 15 Leonbergerstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

**230 Apparel**

*France*

Printed sponge cloth dresses, vests for women. Direct purchase and agency on commission basis. Paulejo, S.A. (commission merchant), 23 rue du Mail, Paris 2e. WTD 12/21/61.

**239 Miscellaneous Fabricated Textile Products**

*Canada*

Place mats, runners of cotton, nylon, straw; sizes 12 x 18 in.; 15 x 33 in.; 16 x 43 in.; 5,000-10,000 dozen a year. Direct purchase and agency. J.J. Johannesen Import & Export Co. (importing distributor, manufacturer's agent), 701, 318 Homer St., Vancouver, B.C. WTD 4/4/62.

*Germany*

Jute bags. Direct purchase and agency. Karl Schoeberl KG (importer, exporter, wholesaler), 15 Leonbergerstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

*Netherlands*

Airducts (textile, PVC coated) for use in coal mines; diam. 12, 20 in.; lengths of

## Data on Foreign Firms Available To U.S. Businessmen

Information on foreign firms or individuals mentioned in the World Trade Leads and Investment Opportunities departments is available to U.S. businessmen through World Trade Directory (WTD) reports.

WTD reports include such information as type of organization, sales territory, lines of goods handled, operation methods, size of business, capital, sales volume, trade and financial reputation, and names of any U.S. firms represented by the foreign firm and serving as its supplier.

These reports are available to qualified U.S. firms—or will be prepared on request—through the Commercial Intelligence Division, Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D. C., for $1 each. Reports also may be obtained through the Department's Field Offices.

Each request should specify the name and address of the firm or individual on which a WTD report is sought. If information on a particular firm is not on file in Washington, it will be requested from U.S. representatives abroad. To minimize delay, businessmen may authorize telegraphic request and reply, for which the Department of State will bill them direct.

50, 100 ft.; rot proof. Th. J. van den Anker (importing distributor, manufacturer's agent), 17 Victorieplein, Amsterdam. WTD 4/2/62.

**249 Miscellaneous Wood Products**

***England***

Wood lamp bases. E.W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

**251 Household Furniture**

***England***

Chairs, tables for kitchens, dining rooms, gardens; sideboards, buffets for kitchens, dining rooms; occasional tables, easy chairs; cheap kitchen chairs in units of 1,000, better-class chairs in smaller quantities. Solk Chairs, Ltd. (importing distributor), 4 Mill Hill, Leeds 1, Yorkshire. WTD 3/13/62.

***Germany***

New type of bed operated by 2 small motors that adjust head and foot of bed to any desired position. Heinrich Hartmann (retailer), 13 Ehrenstr., Koeln. WTD 3/29/62.

**253 Public Building, Related Furniture**

***England***

Chairs, tables for restaurants, hotels. Solk Chairs, Ltd. (importing distributor), 4 Mill Hill, Leeds 1, Yorkshire. WTD 3/13/62.

**262 Paper Mills**

***France***

Kraft wrapping paper, kraft paper for multiwall bags. Papeteries Martin Freres (importer, wholesaler), 6 rue Beaubourg, Paris 4e. WTD 12/21/61.

**264 Converted Paper, Paperboard Products**

***Belgium***

Inexpensive writing pads, envelopes for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

***British Guiana***

Greaseproof wrapping paper, paper bags, polyethylene bags. F.W. Milling & Co. (B.G.), Ltd. (distributor, manufacturer's agent), 30 Main St., Georgetown (P.O. Box 886). WTD 12/16/60.

***France***

Polyethylene, cellophane, acetate bags. Direct purchase and agency. Ets. Houix Pottier (importing distributor), 10 quai de l'Ile-Gloriette, Nantes (Loire Atlantique). WTD 12/21/61.

***Germany***

Packaging bags for use in foodstuffs industry, such as hot-weldable transparent foil and polyethylene bags, composite sheets for packaging purposes, olyamides, polyethylene, thermoplastic foils. Direct purchase and agency. Horst Schweisfurth (wholesaler, manufacturer's agent), 38 Melies Allee, Duesseldorf-Benrath. WTD 3/28/62.

## *Ecuador Wants Cargo Handling Equipment*

Bids are invited by the Port Authority of Guayaquil, Ecuador, for supply and delivery of cargo handling equipment.

Included in the invitation are: 20 trailers with a capacity of 50,000 pounds each; 20 trailers, capacity 60,000 pounds each; 12 forklift trucks, capacity 7,000 pounds; 1 forklift truck, capacity 12,000 pounds; 1 crane, capacity 50,000 pounds; 3 cranes, capacity 30,000 pounds; 3 mobile cranes, capacity 15,000 pounds; 10 tractors with a traction of 12,000 pounds; and 14 three-wheel vehicles to transport personnel within the port area.

Bids addressed Secretario Autoridad Portuaria de Guayaquil, Apartado No. 5739, Guayaquil, should reach that office before 3 p.m., May 10, at which time the bids will be opened.

Specifications are available on loan from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C. Please indicate the commodity specifications wanted.

**265 Paperboard Containers, Boxes**

***British Guiana***

Printed, unprinted corrugated cartons; cardboard boxes for ice cream, frozen goods; paper cups, spoons. F.W. Milling & Co. (B.G.), Ltd. (distributor, manufacturer's agent), 30 Main St., Georgetown (P.O. Box 886). WTD 12/16/60.

**272 Periodicals**

***Netherlands Antilles***

Magazines about baseball exclusively, other sports magazines. Direct purchase and agency. Casa America (Rene N. Hurtado) (importer, retailer, wholesaler), 3 Madurostraat, Willemstad, Curacao. WTD 4/5/62.

**281 Industrial Chemicals**

***Netherlands***

Industrial chemical raw materials, fine chemicals. N.V. Consolco (importing distributor), 44 De Ruyterkade, Amsterdam. WTD 4/2/62.

***Pakistan***

Chemicals for processing rubber. Longman Mills (manufacturer), 14-N Gulberg, Lahore. WTD 3/30/62.

***South Africa***

Filter aids, chemicals, acids for food, drink industries. Direct purchase and agency. Industrial Supply Co. (Pty.), Ltd. (importing distributor), P.O. Box 279, Cape Town. WTD 12/21/61.

**282 Plastics, Synthetic Resins, Rubber, Other Manmade Fibers**

***France***

Nylon, acrylic, other synthetic fibers. Direct purchase and agency on commission basis. Paulejo, S.A. (commission merchant), 23 rue du Mail, Paris 2e. WTD 12/21/61.

***New Zealand***

Vinyl-coated and vinyl-laminated canvas, other cloths for upholstery; reinforced vinyl cloths for tarpaulins, awnings. Direct purchase and agency. Reid & Twiname, Ltd. (manufacturer's agents), 86-88 Albert St., P.O. Box 1155, Auckland. WTD 3/27/62.

***Pakistan***

Synthetic rubber, synthetic fibers. Longman Mills (manufacturer), 14-N Gulberg, Lahore. WTD 3/30/62.

**283 Drugs**

***England***

Chemicals, additives, minerals, vitamins for addition to animal feed supplements, compounds. Direct purchase and agency. British Anhydrous Ammonia Co., Ltd. (merchant, distributor, agent), Magdala Works, 518/520 Woolwich Rd., Charlton, London S.E. 7. WTD 3/20/62.

***Pakistan***

Pharmaceutical raw materials. Schazoo Laboratories, Ltd. (manufacturer), G.T. Road, P.O. Box 492, Lahore. List.★

**284 Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics**

***South Africa***

Bleaching agents, detergents. Industrial Supply Co. (Pty.), Ltd. (importing distributor), P.O. Box 279, Cape Town. WTD 12/21/61.

**289 Miscellaneous Chemical Products**

***Pakistan***

Mixed fatty acids for soap making; fatty acids from tallow, coconuts, palm oil. Hussain Chemical Corp., Ltd. (manufacturer), 5 A Shahdin Bldg., The Mall, Lahore. WTD 4/4/62.

**291 Petroleum Refining**

***Brazil***

Refined paraffin wax, melting point of 140°-155° F., oil content to 0.5%. Fabrica de Velas Flama, Ltda. (manufacturer), Rua Frei Caneca 392, Rio de Janeiro. WTD 12/21/61.

Refined paraffin wax, melting point of 140°-155° F., oil content to 0.5%. Fabrica de Velas Luz Brasileira, Ltda. (manufacturer), Rua Frei Caneca 392, Rio de Janeiro. WTD 12/21/61.

**301 Tires, Inner Tubes**

***Belgium***

Bicycle tires, tubes for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

**307 Miscellaneous Plastics Products**

***Australia***

Plastic kitchen articles. Direct purchase and agency. George G. Roulston (importing distributor, manufacturer's agent), 209A Castlereagh St., Sydney. WTD 8/18/58.

***Canada***

Plastic place mats, runners, sizes 12 x 18 in., 15 x 33 in., 16 x 43 in. Direct purchase and agency. J. J. Johannesen Import & Export Co. (importing distributor, manufacturer's agent), 701, 318 Homer St., Vancouver, B.C. WTD 4/4/62.

***France***

Plastic flasks, tubes. Direct purchase and agency. Ets. Houix Pottier (importing distributor), 10 quai de l'Ile-Gloriette, Nantes (Loire Atlantique). WTD 12/21/61.

Gaskets, seals, stuffing box packings. Societe Industrielle d'Equipement Mechanique, S.A. (importer, sales agent), 1 rue Villaret-de-Joyeuse, Paris 17. WTD 6/28/61.

***Germany***

Plastic fuel containers; 5, 10, 20 l. Peter Friedsam OHG (importer, wholesaler, exporter), 287 Muensterstr., Duesseldorf. WTD 1/4/62.

Small plastic household, kitchen articles. Direct purchase and agency. Bruno Sinofzik (wholesaler), 19 Joseph-Haydn-Weg, Detmold. WTD 3/28/62.

Plastic household, kitchen wares. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal Ronsdorf. WTD 3/26/62.

**311 Leather Tanning, Finishing**

***France***

Leather for shoe industry. Le Cuir Gomme (manufacturer), 29 ave. de Friedland, Paris 8. WTD 12/21/61.

Skins for shoe manufacture. Anciens Ets. Repussard & Chupin (manufacturer), Saint-Macaire-en-Mauce (Maine et Loire). WTD 12/21/61.

**313 Boot, Shoe Cut Stock, Findings**

***France***

Shoe cut stock, findings. Le Cuir Gomme (manufacturer), 29 ave. de Friedland, Paris 8. WTD 12/21/61.

**317 Handbags, Other Personal Leather Goods**

***Netherlands***

Plastic ladies', children's handbags, billfolds, purses. Rubo (importing distributor), 9 Den Hamstraat, Vleuten, Utrecht. WTD 12/21/61.

## *Blood Plasma Sought By Eritrea*

The Eritrean Government wants to purchase 1,000 sets of irradiated normal human blood plasma in 250 cc. containers, together with the administering kits.

The Government prefers to make purchases averaging over $6,000.

Cable offers, c.i.f. Massawa, as soon as possible to the Secretary of Finance, Eritrean Government, Asmara.

**321 Flat Glass**

***Germany***

Rough glass, sheet glass, mirror glass, cast glass, safety glass, flat glass, glass building materials. August Warnecke KG (wholesaler, exporter), P.O. Box 2310, D7, 6-7, Mannheim 1. WTD 3/28/62.

**322 Glass, Glassware**

***Australia***

Glassware of all types, including ovenware, punch sets, tumblers, ornamental glass; low to medium price. Boans, Ltd. (department store), Murray St., Perth. WTD 12/21/61.

***Belgium***

Drinking glasses for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

***Netherlands Antilles***

Medium-priced glass window jalousies, all standard sizes, including frames, hardware, screws. Direct purchase and exclusive agency. C. F. Muskus & Co. (importing distributor), 2 Heerenstraat, Willemstad, Curacao. WTD 4/5/62.

***Viet-Nam***

Glass bulbs, 2 sizes for bayonet type sockets, for assembling incandescent light bulbs; specifications available. Omnitech-Avia (commission merchant), 26 Duong Phung Khao Khoan, Box 885, Saigon. WTD 6/10/61 on Air Carrier Service Corp.

**326 Pottery**

***England***

Pottery lamp bases. E. W. Stockham, Ltd. (manufacturer, importing distributor), 155, Warstone Lane, Birmingham 8. WTD 4/4/62.

**329 Abrasive, Asbestos, Miscellaneous Nonmetallic Mineral Products**

***France***

Gaskets, seals, stuffing box packings. Societe Industrielle d'Equipement Mecanique, S.A. (importer, sales agent), 1 rue Villaret-de-Joyeuse, Paris 17. WTD 6/28/61.

**331 Steel Mill Products**

***Belgium***

Corrugated galvanized sheets for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

***Germany***

Black and galvanized steel pipe 12-2 in. diam., welded, seamless; galvanized sheet metal, light sheet metal (thin gage plate); related rolling stock. Struck & Wichers (importing distributor), Harburger Schlosstr. 6, Hamburg-Harburg. WTD 5/12/61.

***Pakistan***

Iron, steel. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

Mild steel spring, pickled cold rolled sheet, molded steel. Longman Mills (manufacturer), 14-N Gulberg, Lahore. WTD 3/30/62.

**336 Nonferrous Foundries**

***Australia***

Cast-aluminum kitchenware. Direct purchase and agency. George G. Roulston (importing distributor, manufacturer's agent), 209A Castlereagh St., Sydney. WTD 8/18/58.

***Germany***

Small household, kitchen cast-aluminum articles. Direct purchase and agency. Bruno Sinofzik (wholesaler), 19 Joseph-Haydn-Weg, Detmold. WTD 3/28/62.

Cast-aluminum household, kitchen utensils. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal Ronsdorf. WTD 3/26/62.

**342 Cutlery, Handtools, General Hardware**

***Australia***

Hand tools, cutlery items, kitchen articles. Direct purchase and agency. George G. Roulston (importing distributor, manufacturer's agent), 209A Castlereagh St., Sydney. WTD 8/18/58.

***Belgium***

Hatchets, hoes, padlocks, doorlocks, door hinges, charcoal irons, knives, penknives, razors, razor blades; for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

***Bolivia***

Locks, padlocks, handtools. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340, 2° piso, La Paz. WTD 12/21/61.

***England***

Andirons, fireplaces, fire screens. E. W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

*Germany*

Portable paint sprayers; nonelectric spray guns with small compressor. Direct purchase with exclusive sales rights for Germany. Walter Vogt (importer, exporter, wholesaler, manufacturer), 59 Wilhelmstr., Ludwigsburg-Wuerttemberg. WTD 3/28/62.

Cutlery; nonelectric can openers; household, kitchen handtools. Direct purchase and agency. Bruno Sinofzik (wholesaler), 19 Joseph-Haydn-Weg, Detmold. WTD 3/28/62.

Nonelectric can openers; cutlery; household, kitchen handtools. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal-Ronsdorf. WTD 3/26/62.

*Pakistan*

Hand sprayers. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497. Lahore. WTD 4/4/62.

**346 Metal Stamping**

*Australia*

Kitchenwares of stamped and pressed metals. Direct purchase and agency. George G. Roulston (importing distributor, manufacturer's agent), 209A Castlereagh St., Sydney. WTD 8/18/58.

*Belgium*

Enameled, aluminum pans for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

*Germany*

Small household, kitchen stamped metal articles. Direct purchase and agency. Bruno Sinofzik (wholesaler), 19 Joseph-Haydn-Weg, Detmold. WTD 3/28/62.

Household, kitchen utensils of stamped metals. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal Ronsdorf. WTD 3/26/62.

**348 Miscellaneous Fabricated Wire Products**

*Belgium*

Wire nails for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei. Antwerp. WTD 7/17/61.

**349 Miscellaneous Fabricated Metal Products**

*England*

Metal lamp bases. E.W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

*Germany*

Small atom shelters for use in gardens of one-family houses. Direct purchase and agency. J. Kessler & Co. (manufacturer), 20 Venloerstr., Duesseldorf. WTD 2/12/62.

**352 Farm Machinery, Equipment**

*Australia*

Agricultural equipment—pumping equipment such as pressure units (centrifugal and piston pumps), and irrigation and farm implements. Firm requests latest catalog, price lists. Rural General and Technical Services Pty., Ltd., 31A Mann St., Gosford, N.S.W.

*Pakistan*

Agricultural machinery including tillers, tractors, seed sowers, crawler-tractors. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**353 Construction, Mining, Materials Handling Machinery, Equipment**

*Bolivia*

Construction tools, equipment. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340 2° piso, La Paz. WTD 12/21/61.

*France*

Equipment, tools for masonry, concrete construction, public works, dealers of construction materials. Direct purchase and agency. Societe des Produits Ceramiques de la Seine (manufacturer, wholesaler), 76 ave. de la Liberte, Chevilly-la-Rue (Seine). WTD 12/21/61.

*Germany*

Mobile cranes, 50-100 tons. Bergbau-u. Industriemaschinen G. Gierlichs (importer, manufacturer's agent), 3 Lindenstr., Koeln a Rh. WTD 3/14/62.

**354 Metalworking Machinery, Equipment**

*France*

Machinery for manufacture of steel drums, caskets, pipes, tubes. Societe des Forges d'Haironville (manufacturer), Haironville (Meuse). WTD 3/27/62.

Machine tools. Direct purchase and agency. Societe Industrielle de Machines-Outils ("S.I.M.O.") (importer, wholesaler), 55-57 rue Kilford, Courbevoie (Seine). WTD 6/27/61.

Welding equipment. Direct purchase and agency. Societe d'Exploitation Soudage Equipment (importing distributor), 33 ave. du General de Gaulle, Puteaux, Seine. WTD 2/8/62.

Garage equipment. Direct purchase and agency. Europarking (importer, manufacturer's agent), 83 ave. Emile Zola. Paris 15. WTD 12/21/61.

*Germany*

Electric handtools of all varieties. Walter Weber (manufacturer's agent), 36 Sperlingsweg. Solingen. WTD 3/26/62.

Drills, tools for home do-it-yourself workshops; inexpensive merchandise. Direct purchase with exclusive sales rights for Germany. Walter Vogt (importer, exporter, wholesaler, manufacturer), 59 Wilhelmstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

Electrical paint removers. Direct purchase with exclusive sales rights for Germany. Walter Vogt (importer, exporter, wholesaler, manufacturer), 59 Wilhelmstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

*Japan*

Flanging machines; 5,000 mm. diam., 50-60 mm. thickness; 2,000 mm. diam., 80 mm. thickness. Fuji Shoji Kaisha, Ltd. (importer, exporter), Ginraku Bldg., 5-2 Ginza Nishi, Chuo-ku, Tokyo. WTD 6/26/61 on parent company, Mitsubishi Shoji Kaisha, Ltd.

*Netherlands*

Newly developed metalworking, machine tool items. Th. J. van den Anker (importing distributor, manufacturer's agent), 17 Victorieplein, Amsterdam. WTD 4/2/62.

*Pakistan*

Machinery for manufacture of weighing scales, weights; machinery for manufacture of cast-iron pipes, centrifugal casting. S. M. Shaw & Sons, Ltd. (manufacturer), 2 Abbott Rd., Lahore. WTD 3/30/62.

Power sprayers. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**355 Special Industry Machinery, Except Metalworking Machinery**

*Burma*

Glass bottle, glass sheet manufacturing plant, Fair Price Medical Stores (importer, exporter, wholesaler, retailer, commission agent), 287 Shwe Bontha St., Rangoon. WTD 3/28/62.

*Ceylon*

Grinding mill for grinding red peppers, capacity 1½ tons daily; packaging

## *Transformer Station Bids Sought in Argentina*

Argentina is inviting tenders (Licitación Pública 31/62) for planning and constructing the "Rosario Centro" transformer station in the province of Santa Fé, including supply and mounting of the pertinent electromechanical components.

Specifications for this $1.1 million project are available for $18.07 (1,500 pesos) from Agua y Energia Eléctrica (Water & Power Bureau), Subgerencia de Talleres y Suministros, Lavalle 1527, Buenos Aires.

Bids must be submitted by noon Aug. 31 to Agua y Energia Eléctrica, Sala de Licitaciones, Lavalle 1554, Buenos Aires.

machine for filling polythene film bags with powdered foodstuffs. Tissa Grinding Mills (manufacturer), 198 Galle Rd., Dehiwala. WTD 4/5/62.

*France*

Egg-breaking machinery. Direct purchase and agency. Sorilait S.A. (wholesaler, importer, exporter), 16 rue Berger, Paris ler. WTD 2/6/61.

*Germany*

Vacuum packing machines (skinpack packing machines) for foodstuffs industry. Direct purchase and agency. Horst Schweisfurth (wholesaler, manufacturer's agent), 38 Melies Allee, Duesseldorf-Benrath. WTD 3/28/62.

*India*

Continuous fatty acid distillation plant for distillation of splitted fat of acid value 190, capacity 1 ton an hour; plant for manufacture of glycerin by batch process from soap lye or sweet water obtained as byproduct of splitted fat. Swaike Oil Mills (manufacturer), P.N.V. House, 18-B Brabourne Rd., Calcutta. WTD 11/10/60.

*Morocco*

Machinery for manufacture of dry batteries. Mr. Souiri, SOMAPIG (Societe Marocaine des Piles Globus) (manufacturer), 33 blvd. Hassan El Alaoui, Casablanca. WTD 11/27/61.

*Pakistan*

Pharmaceutical machinery. Schazoo Laboratories, Ltd. (manufacturer), G.T. Rd., P.O. Box 492, Lahore. WTD 4/4/62. List.★

Rubber-processing machinery. Longman Mills (manufacturer), 14-N Gulberg, Lahore. WTD 3/30/62.

**356 General Industrial Machinery, Equipment**

*Ceylon*

General purpose machinery such as lathes, sharpening machines, drilling machines; requests catalogs, prices, technical detail. Dept. of Rural Development & Cottage Industries, c/o J. C. Wijayawardana (Government Dept.), Torrington Sq., Colombo 7.

*France*

Labeling, marking equipment; small, medium size. Ets. Visciano (importer, wholesaler), 27 rue Georges Clemenceau, Chatou (Seine & Oise). WTD 12/21/61.

Packaging, conditioning labor-saving devices. Ets. Visciano (importer, wholesaler), 27 rue Georges Clemenceau, Chatou (Seine & Oise). WTD 12/21/61.

*Germany*

Bagging machines, automatic packaging machines, wrapping machines for ring-shaped, bar-shaped materials. Direct purchase and agency. Horst Schweisfurth (wholesaler, manufacturer's agent), 38 Melies Allee, Duesseldorf-Benrath. WTD 3/28/62.

## *Research Bureau Formed In Australia*

CANBERRA—The Associated Chambers of Commerce of Australia (ACCA) has establishing a Research and Services Bureau here to provide answers to commercial inquiries from foreign firms.

The new Bureau will provide a survey and market research and will assist businessmen and organizations which plan conferences or conventions in Canberra.

A charge will be made, according to the amount of work involved, for the surveys and market research service.

Trade inquiries from overseas business houses about products for export or import, however, will normally be handled free of charge as usual.

Announcement of the new Bureau appeared recently in ACCA's weekly publication, *Canberra Comments*. A copy of the article is available from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

*Italy*

Refrigerating compressors. Astante & Ciani (manufacturer, assembler, installer), Viale Della Vittoria 11, Udine. WTD 3/23/62.

*Norway*

Pumps for water, high pressure, high temperature; screw pumps for viscous liquids, abrasives, cargo, woodpulp (10-12% concentration). Alfsen & Gunderson, Ingeniorer (importing distributor, contracting engineer, manufacturer's agent), 1 Staalverksveien, Oslo. WTD 3/26/62.

*Pakistan*

Pumps, compressors: turbines, centrifugal, over medium size. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**357 Office, Computing, Accounting Machines**

*Bolivia*

Office equipment. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent; commission merchant), Casilla 1185, Socabaya 340, 2° piso, La Paz. WTD 12/21/61.

**358 Service Industry Machines**

*Germany*

Air conditioners for home, industrial purposes. Direct purchase and agency. Alfred Kaut & Co. (wholesaler, importer, sales agent), 33-35 Tannenbergstr., Wuppertal-Elberfeld. WTD 2/16/61.

Industrial cooling equipment, any voltage. Direct purchaes and agency. U. J. Jessen & Co. (importing distributor, manufacturer's agent), Ernst-Merck-Str. 12-14, Hamburg 1. WTD 12/21/61.

Vending machines for beverages, foodstuffs; German bank note exchanging machines. Direct purchase and agency. Horst Schweisfurth (wholesaler, manufacturer's agent), 38 Melies Allee, Duesseldorf-Benrath. WTD 3/28/62.

Deep freezers, refrigeration equipment for industrial purposes. Direct purchase and agency. Alfred Kaut & Co. (wholesaler, importer, sales agent), 33-35 Tannenbergstr., Wuppertal-Elberfeld. WTD 2/16/61.

Air-conditioning equipment for home, industrial purposes. Peter Hartmann & Co. GmbH (importer, wholesaler, exporter), 411 Mallinckrodtstr., Dortmund. WTD 2/17/61.

Refrigerating equipment for use in supermarkets, deep freezers. Peter Hartmann & Co. GmbH (importer, wholesaler, exporter), 411 Mallinckrodtst., Dortmund. WTD 2/17/61.

Ventilation, air-conditioning equipment for theaters. Direct purchase and agency. Kinotechnik Niedersachsen (importing distributor, manufacturer's agent), Georgstr. 10, Hanover. WTD 12/21/61.

Air-conditioning equipment for home, industrial purposes. Direct purchase and agency. L. Tillmann (wholesaler), 7a Clausenstr., Wuppertal-Barmen. WTD 7/17/61.

*Pakistan*

Air conditioners. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

*Philippines*

Automatic cigar-vending machinery. Insular-Yebana Tobacco Corp. (manufacturer, importer, exporter), P.O. Box 2273, Manila. WTD 7/10/59.

**360 Electrical Machinery, Equipment, Supplies**

*Bolivia*

Electric, electronic equipment, radios, record players, electric heaters. Tecnitron (importer, wholesaler), Colon 176, La Paz. WTD 4/2/62.

*Pakistan*

Electrical goods: refrigerators, meters, presses, motors, transformers, transmitters, cables. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**362 Electrical Industrial Apparatus**

*France*

Welding equipment. Direct purchase and agency. Societe d'Exploitation Sou-

dage Equipment (importing distributor), 33 ave. du General de Gaulle, Puteaux, Seine. WTD 2/8/62.

Z drive to be used with 40-80 hp. motors. Societe Mazura-Herson Bel (importer, manufacturer's agent, commission agent), 67 bis quai Branly, Paris 8e. WTD 4/25/60.

*Germany*

Rectifiers, mechanical converters, emergency power generators, electromagnetic door and window openers; for 220 v. a.c., single ph., 50c. Direct purchase and agency. Kinotechnik Niedersachsen (importing distributor, manufacturer's agent), Georgstr. 10, Hanover. WTD 12/-21/61.

**363 Household Appliances**

*Germany*

Electric kitchen appliances, such as coffee machines, toasters, mixers, can openers. Bruns & Finkenberg (wholesaler), 3 Ebertstr., Bocholt, Westphalia. WTD 3/23/62.

Vacuum cleaners; shoe polishing machines; carpet, rug sweepers. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal-Ronsdorf. WTD 3/26/62.

Battery-powered kitchen equipment; new items for kitchen, bathroom. Direct purchase and agency. Dr. Guido Klieber oHG (importing distributor, manufacturer's agent), Ersehof bei Braunschweig. WTD 3/26/62.

Electric household appliances, such as mixers, washers, can openers. Paul Backes (importing distributor), 14 Ascheweg, Wuppertal-Ronsdorf. WTD 3/26/62.

Deep freezers, refrigerators. Direct purchase and agency. Alfred Kaut & Co. (wholesaler, importer, sales agent), 33-35 Tannenbergstr., Wuppertal-Elberfeld. WTD 2/16/61.

Deep freezers. Peter Hartmann & Co. GmbH (importer, wholesaler, exporter), 411 Mallinckrodtst., Dortmund. WTD 2/17/61.

Automatic electric can openers. Direct purchase with exclusive sales rights for Germany. Walter Vogt (importer, exporter, wholesaler, manufacturer), 59 Wilhelmstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

**364 Electric Lighting, Wiring Equipment**

*England*

Domestic lighting fittings, inexpensive. Duncan, Partners & Price, Ltd. (manufacturer, manufacturer's agent), 33 Petergate, London, S.W.11. WTD 4/4/62.

Lamps. E.W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

*Germany*

Electric bulbs, neon tubing. Bruns & Finkenberg (wholesaler), 3 Ebertstr., Bocholt. Westphalia. WTD 3/23/62.

*Viet-Nam*

Bayonet-type electric bulb sockets in 2 sizes. Omnitech-Avia (commission merchant), 26 Duong Phung Khao Khoan, Box 885, Saigon. WTD 6/10/61 on Air Carrier Service Corp. Catalog, Specifications, sample socket.★

**365 Radio, Television Receiving Sets**

*Belgium*

Portable radios for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei. Antwerp. WTD 7/17/61.

*France*

Phonograph records. Direct purchase and agency. Vogelweith & Cie. (importing retailer), 59-61 Grandes Arcades, Strasbourg (Bas-Rhin). WTD 3/28/62.

*Germany*

Radio, television sets. Bruns & Finkenberg (wholesaler), 3 Ebertstr., Bocholt, Westphalia. WTD 3/23/62.

**366 Communication Equipment**

*Germany*

Radio telephones, walkie-talkies. F. C. E. Knight, Nitex GmbH, Aderstr. 50, Duesseldorf. WTD 1/10/61.

Wireless radio sets for commercial vessels, military purposes. Direct purchase and agency. U.J. Jessen & Co. (importing distributor, manufacturer's agent), Ernst-Merck-Str. 12-14, Hamburg 1. WTD 12/21/61.

**367 Electronic Components Accessories**

*Norway*

High fidelity equipment: pickup cartridges for stereo, transistorized stereo amplifiers, microphones, loudspeakers, stereo disc recording heads. Direct purchase and agency. Egil Monn Iversen A/S (importing distributor, manufacturer), Malerhaugveien 20, Oslo. WTD 3/7/62.

**369 Miscellaneous Electrical Machinery, Equipment, Supplies**

*Belgium*

Dry cells for flashlights, radios; for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

*England*

Lamp parts. E.W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

*Pakistan*

X-ray equipment. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**371 Motor Vehicles, Parts**

*Bolivia*

Automotive accessories, parts. Direct purchase and agency. Mercantil Sudamericana, Ltda. (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340 2° piso, La Paz. WTD 12/21/61.

*France*

Gadgets, accessories, new technical products for cars. Direct purchase and agency. Europarking (importer, manufacturer's agent), 83 ave. Emile Zola, Paris 15. WTD 12/21/61.

Automobiles, spare parts. Direct purchase and agency. Societe France Motors (importing distributor), 166 ave. de Neuilly, Neuilly s/Seine (Seine). WTD 12/21/61.

*Germany*

Automobile body accessories applicable to German, Continental autos. Gebr. Happich GmbH (importing distributor, manufacturer), 62-76 Neuenteich, Wuppertal-Elberfeld. WTD 6/7/61.

**375 Motorcycles, Bicycles, Parts**

*Belgium*

Bicycle parts, accessories: pedals, chains, wheels, brakes; for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

**381 Engineering, Laboratory, Scientific, Research Instruments**

*Canada*

Drafting machines. Elliot & Jacob Sales, Ltd. (importing distributor, manufacturer's agent), 351 Place Royale, Suite 18, Montreal. WTD 4/4/62.

*Germany*

Electronic precision measuring instruments, laboratory and scientific apparatus for research, development. Direct purchase and agency. G. D. Akerberg (importing distributor, manufacturer's agent), Erlenstr. 2, Hamburg-Lokstedt. WTD 5/16/61.

*Norway*

Educational demonstration equipment for teaching physics, chemistry, biology in high schools, universities. Monrad Gjaevenes, Kirkegaten 12, Oslo. WTD 2/14/62.

*Pakistan*

Surveying material; chemistry, physics laboratory equipment; microscopes; scientific instruments. Direct purchase and

## Australia Extends Deadline For Public Telephone Bids

Bid deadline for the public telephones with subscriber trunk dialing facilities, Schedule C.8883, has been extended from Apr. 12 to 3 p.m. May 15. (FCW, Mar. 5, p. 381.)

agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**382 Instruments for Measuring, Controlling, Indicating Physical Characteristics**

*Germany*

Sonic depth finder for commercial vessels. Direct purchase and agency. U. J. Jessen & Co. importing distributor, manufacturer's agent), Ernst-Merck-Str. 12-14, Hamburg 1. WTD 12/21/61.

Geiger counters. Direct purchase with exclusive sales rights for Germany. Walter Vogt (importer, exporter, wholesaler, manufacturer), 59 Wilhelmstr., Ludwigsburg/Wuerttemberg. WTD 3/28/62.

**383 Optical Instruments, Lenses**

*Bolivia*

Optical instruments. Direct purchase and agency. Mercantil Sudamericana, (importing distributor, manufacturer's agent, commission merchant), Casilla 1185, Socabaya 340, 2° piso, La Paz. WTD 12/21/61.

**384 Surgical, Medical, Dental Instruments, Supplies**

*Australia*

Industrial protective clothing. Dreikurs Safety Pty., Ltd. (importing distributor, wholesaler), 46 Foster St., Sydney. WTD 4/2/62.

*Austria*

Instruments, supplies for ear, nose, throat departments; ophthalmic, veterinary instruments; other surgical supplies, equipment. Direct purchase and agency. Alfred Schiller, Erzeugung chirurgischer Instrumente und Apparate (manufacturer, wholesaler, retailer), 14 Van Swietengasse, Vienna IX. WTD 4/2/62.

*Pakistan*

Hospital supplies including surgical, ward equipment; dental chairs. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

**386 Photographic Equipment, Supplies**

*France*

Sensitized X-ray films. Direct purchase and agency. Express-Ray (manufacturer, importer, exporter, agent), 94 rue Martignon, Rueil-Malmaison (Seine & Oise). WTD 12/21/61.

*Germany*

Sound-track reception, reproduction equipment. Direct purchase and agency. Kinotechnik Niedersachsen (importing distributor, manufacturer's agent), Georgstr. 10, Hanover. WTD 12/21/61.

*Pakistan*

Photographic equipment, 16 mm. Direct purchase and agency. Orion Commercial Corp. (manufacturer's agent), Asif Bldg., McLeod Rd., P.O. Box 497, Lahore. WTD 4/4/62.

## *Iraq Invites Bids For Substations*

Bids are invited by the Government of Iraq for construction of eight main substations for the Central Iraq Zone Electrical System.

Contract No. 2/8C/19 calls for supply, delivery, and installation of transformers, switchgear, and accessories together with all construction work necessary to erect main substations at eight different locations in Central Iraq.

Bids, accompanied by a preliminary deposit of about $112,000 (40,000 Iraqi dinars), should reach the Secretary of the Committee for Opening Tenders, Ministry of Industry, Baghdad, before noon, July 9.

Tender documents, including specifications, may be reviewed at the Embassy of Iraq, 1801 P Street NW., Washington 6, D.C., or they may be obtained from the Embassy for $98 a set.

Consulting engineers for the work are Electrobel—Traction et Electricite, 1 place du Trone, Brussels, Belgium.

**393 Musical Instruments, Parts**

*France*

Musical instruments, such as trumpets, saxophones, timpani, guitars; saxophone mouthpieces. Direct purchase and agency. Vogelweith & Cie. (importing retailer), 59-61 Grandes Arcades, Strasbourg (Bas-Rhin). WTD 3/28/62.

**394 Toys, Amusements, Sporting, Athletic Goods**

*Australia*

Dolls, boxed toys. Direct purchase and agency. George G. Roulston (importing distributor, manufacturer's agent), 209A Castlereagh St., Sydney. WTD 8/18/58.

*France*

Toys, games. Direct purchase and agency. A. M. Foucault, S.A. (importer, exporter, wholesaler, commission merchant), 37 rue de Turenne, Paris 3e. WTD 12/21/61.

*Germany*

All kinds of toys, particularly plastic; hobby kits. Direct purchase and agency. U. J. Jessen & Co. (importing distributor, manufacturer's agent), Ernst-Merck-Str. 12-14, Hamburg 1. WTD 12/21/61.

*Italy*

Metal toys; miniature toys; assembly kits for airplanes, automobiles, ships. Il Giocattolo S.p.A (manufacturer's agent, importer, wholesaler), 6 Via Nuova Comunale, Cadriano-Granarolo Emilia (Bologna). WTD 3/28/62.

**395 Pens, Pencils, Other Office, Artists' Materials**

*Canada*

Pastels, chalks, crayons, oil paints, water colors; templates, rulers, triangles, T squares; medium, high quality items. Elliot & Jacob Sales, Ltd. (importing distributor, manufacturer's agent), 351 Place Royale, Suite 18, Montreal. WTD 4/4/62.

*Netherlands*

Plastic items for office use, loose-leaf binder devices. Avoplast Foundation (importing distributor), 596 Herengracht, Amsterdam. WTD 12/21/61.

**399 Miscellaneous Manufacturing Industries**

*Belgium*

Candles for Congo market. Theo Verlaet (importer, exporter), 155 Belgielei, Antwerp. WTD 7/17/61.

*England*

Lamp shades. E. W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

Lampshade frames. E. W. Stockham, Ltd. (manufacturer, importing distributor), 155 Warstone Lane, Birmingham 8. WTD 4/4/62.

*Netherlands*

Plastic articles for giftware, advertising industries. Avoplast Foundation (importing distributor), 596 Herengracht, Amsterdam. WTD 12/21/61.

Gas lighters, other new smokers' requisites. Michiels-Arnold, N.V., Bicotex Division (importing distributor), 528-30 Herengracht, Amsterdam. WTD 12/21/61.

**509 Miscellaneous Wholesalers**

*Belgium*

Secondhand clothes, such as men's suits, shirts, raincoats, boots, shoes. Jean De Nola (commission merchant), 23 ave. Reine Astrid, Malines. WTD 2/16/62.

*Germany*

U.S. Army surplus, such as tents, sleeping bags, cotton remnants. Adolf Jungfleisch (manufacturer, importer, wholesaler), Postfach 72, Ratingen bei Duesseldorf. WTD 9/8/61.

*Madagascar*

Textile remnants, felts: spun rayon, rayon, cotton, mixed woolen, dyed and printed, mixed flannel, corduroy, tickings; different sizes, pieces of 10 yd. and over; prices by yd. or weight. M. Hiridjee & Cie. (importing distributor, manufacturer), Anosivavaka, Ambohimanarina, Tananarive. WTD 10/16/61.

*Pakistan*

Crude rubber. Longman Mills (manufacturer), 14-N Gulberg, Lahore. WTD 3/30/62.

**781 Motion Picture Production, Distribution**

*Norway*

Educational demonstration films for teaching physics, chemistry, biology in high schools, universities. Monrad Gjaevenes (wholesaler), Kirkegaten 12, Oslo. WTD 2/14/62.

## LEADS FOR AGENCIES

*Exclusive distributorship wanted only if specified.*

**012 Fruit, Tree Nut, Vegetable Farms**

*France*

Fresh fruits, vegetables: California oranges, lemons, grapefruit; Oregon or California apples, pears; onions, sweet potatoes. A. S. Naccache, S.A. (importer, wholesaler, retailer, sales agent, commission agent), 53 Boulevard Haussmann, Paris 9. WTD 3/27/61.

**019 Miscellaneous Commercial Farms**

*Italy*

Chinchillas. Direct purchase and agency. Pellizzaroli Antonio & Figli-Allevamento Cincilla (importing distributor, commission merchant), 44 Via S. Candido, S. Stefano di Cadore, Belluno. WTD 4/6/62.

**203 Canning, Preserving Fruits, Vegetables, Seafoods**

*Austria*

Fruit preserves, canned fruits, vegetables of all kinds. Direct purchase and agency. Pomona-Obstverwertung, Zernatto & Co. (manufacturer, importing distributor, manufacturer's agent), St. Ruprecht v. Villach/Carinthia. WTD 3/29/62.

*Ceylon*

Dietetic food products. Ernest H. Vijaya Sinha (manufacturer's agent), 25 Caffoor Bldg., Main St., Colombo. WTD 2/27/61.

*France*

California dried fruits (prunes, apricots, others), canned fish, other canned food products. Paul Coutau-Begarie (sales agent), 15 rue Brangeneuve, Bordeaux, Gironde. WTD 4/2/62.

Dried prunes from Santa Clara, Calif. A.S. Naccache, S.A. (importer, wholesaler, retailer, sales agent, commission agent), 53 blvd. Haussmann, Paris 9. WTD 3/27/61.

**204 Grain Mill Products**

*Austria*

Fish, bone, blood meal feedstuffs. Agency. Wilhelm Klouzal (manufacturer's agent), 41/14/10b Baumgasse, Vienna III. WTD 3/28/62.

*Germany*

Menhaden, pilchard meal in 100 ton lots and up. Clauss & Paschke (manufacturer's agent, broker), Rothenbaumchaussee 83, Hamburg 13. WTD 12/4/61.

**208 Beverage Industries**

*Ceylon*

Natural flavoring extracts for food, beverage industries. P. Sivanandan (importing distributor, manufacturer's agent), Munsoor Bldg., 53, Main St., Colombo. WTD 10/30/61.

**220 Textile Mill Products**

*Australia*

Nylon upholstery, cotton curtain prints. F. H. Stevens (manufacturer's agent), 66 Walker St., North Sydney. WTD 3/20/62.

Synthetic, cotton shirting materials; piece goods for clothing, dress trade. Exclusive agency for Australia. F. H. Stevens (manufacturer's agent), 66 Walker St., North Sydney. WTD 3/30/62.

*England*

Textile piece goods. Harry Jacobs (manufacturer's agent), 20 Burns St., Nottingham, Notts. WTD 3/30/62.

*France*

Textiles of various kinds. Agency on commission basis. S.O.P.R.E.X. (Societe de Placement Recherche et Exploitation) (commission agent), 2 rue Eugene Labiche, Paris 16. WTD 10/6/61.

Textile fabrics: plush, synthetic velvet, wool for clothing, upholstery carpet manufacturing. Agency without financial responsibility. Bernard Pessine (commission merchant), 35 rue St-Sebastien, Paris 11e. WTD 12/21/61.

*Germany*

Synthetic, other upholstery fabrics. Dietrich Girmes GmbH (manufacturer), 51-52 Freiheitsstr., Lobberich/Rhld. WTD 3/27/62.

Satin, chintz lamp shade fabrics. Horst Tessendorf (manufacturer's agent), 61 Gerswidastr., Essen. WTD 9/28/61.

*Netherlands*

Piece goods for women's outerwear; lace, tulle, marquisette for lingerie industry. B. Cordemeyer (manufacturer's agent), 61 Langestraat, Amsterdam. WTD 12/21/61.

Piece goods, linings for men's, women's outerwear. Gebroeders Lissauer (manufacturer's agent), 80 Weesperzijde, Amsterdam. WTD 12/21/61.

**221 Broad Woven Fabric Mills, Cotton**

*Ceylon*

Cotton textiles. K.M. Shah & Co. (importing distributor, manufacturer's agent), 92-1/1, Main St., Colombo 11. WTD 3/29/62.

**222 Broad Woven Fabric Mills, Manmade Fiber, Silk**

*Norway*

Lace piece goods of synthetic fiber. Aage Meidell Bjorndal (manufacturer's agent), 32b H. Halvorsens vei, Oslo. WTD 1/22/62.

**225 Knitwear**

*Ceylon*

Hosiery. K.M. Shah & Co. (importing distributor, manufacturer's agent), 92-1/1, Main St., Colombo 11. WTD 3/29/62.

*Germany*

Women's stockings. Fritz Werner (manufacturer's agent), Postfach 1933, Essen. WTD 3/27/62.

**229 Miscellaneous Textile Goods**

*Austria*

Silk, rayon, wolen, synthetic, synthetic blended piece goods. Agency. Simon Wittels (importing distributor, wholesaler, retailer), 32/6 Gruenetorgasse, Vienna IX. WTD 3/23/62.

**230 Apparel**

*England*

Haberdashery, fashion accessories. G.F. Simpson & Co. (manufacturer's agent), 2 Grosvenor Crescent, London, N.W.9. WTD 3/16/62.

Wearing apparel, haberdashery, fashion accessories. Harry Jacobs (manufacturer's agent), 20 Burns St., Nottingham, Notts. WTD 3/30/62.

**232 Men's, Youths', Boys' Furnishings, Work Clothing**

*British Guiana*

Haberdashery. Eclipse Agencies (commission agent, manufacturer's representatives), P.O. Box 853, Georgetown. WTD 6/12/61.

**239 Miscellaneous Fabricated Textile Products**

*Germany*

Household dusters, mops. Fritz Werner (manufacturer's agent), Postfach 1933, Essen. WTD 3/27/62.

**242 Sawmills, Planing Mills**

*Germany*

Lumber, such as red pine, pitch pine, Douglas fir, Carolina pine, hemlock. Alfred Schueschke (manufacturer's agent), 64 Am Stadion, Sennestadt bei Bielefeld. WTD 7/14/61.

**251 Household Furniture**

*British Guiana*

Metal bedsteads, spring mattresses. Exclusive agency. Alec Russell & Co. (manufacturer's agent), 15 Water St., Georgetown (P.O. Box 125). WTD 10/21/68.

**263 Paperboard Mills**

*France*

Cardboard packaging materials, special protective materials for delicate packagings. Pusey, S.A.R.L. (manufacturer, trader), 23-25 rue des Petites Ecuries, Paris 10e. WTD 12/21/61.

**264 Converted Paper, Paperboard Products**

*Germany*

Synthetic packaging materials, such as polyethylene bags. Albrecht Vogel, Graenzer & Co. (manufacturer's agent), Bugenhagenstr. 5, Hamburg 1. WTD 12/21/61.

Paper goods such as napkins, towels, handkerchiefs, cabinet linings. Fritz Werner (manufacturer's agent), Postfach 1933, Essen. WTD 3/27/62.

**281 Industrial Chemicals**

*Ceylon*

Synthetic flavoring essences, extracts for food, beverage industries. P. Sivanandan (importing distributor, manufacturer's agent), Munsoor Bldg., 53 Main St., Colombo. WTD 10/30/61.

Laboratory chemicals for research, technological training in engineering, agriculture, livestock farming; educational purposes in universities, colleges, schools. Ernest H. Vijaya Sinha (manufacturer's agent), 25 Caffoor Bldg., Main St., Colombo. WTD 2/27/61.

*Germany*

Concrete admixtures. Ernst-Wilhelm Schwuchow (manufacturer's agent), Margarethenhoehe, Braunschweig-Querum. WTD 8/23/61.

**282 Plastics Materials, Synthetic Resins, Rubber, Other Manmade Fibers**

*France*

Artificial fibers for blending with wool in manufacturing textile yarns. Agency on commission basis. Ets. Pierre Decreme (broker, importer, exporter, manufacturer's agent, commission merchant), 15 rue Faidherbe, Tourcoing (Nord). WTD 3/26/61.

Shock-proof material such as foam rubber or agglomerate of poliethylerie for packaging materials. Pusey, S.A.R.L. (manufacturer, trader), 23-25 rue des Petites Ecuries, Paris 10e. WTD 12/21/61.

*Germany*

Manmade fibers, filament, staple. Pagenstecher, Siegfried (manufacturer's agent), 4 Barbarossa Strasse, Wuppertal-Elberfeld. WTD 3/21/62.

Cellulose acetate; propionate flakes, compounds; polyethylene acetate; plates, film; polyprophylene, polysterol, related products. Plastica Repenning KG (manufacturer's agent), An de Alster 26, Hamburg 1. WTD 11/21/58.

Unmodified, modified styrolpolymer, polymeric resins with 60% and higher styrol contents; alkydresins except laminated, film, foil; uncompounded, unprocessed vinyl, vinyl mixpolymeric resins; tar acid resins; urea formaldehyed, melamine formaldehyde, other amino resins; polyethylene resin; uncompounded vinyl, vinylidpolymer, mixpolymeric resins, except laminated, film, foil. Burchard Koenig (manufacturer's agent), Neuer Wall 26-28, Hamburg 36. WTD 3/7/61.

## Tractor Assembly Plant Sought in Iraq

Iraq has invited turnkey offers for supply and erection of a tractor assembly plant.

The proposed plant, the only such plant in Iraq, is to have the capacity to turn out annually about 1,000 agricultural tractors completely assembled from knocked-down units.

Offers covering design, plans and specifications, supply and installation of equipment, construction, start-up, and supervision of operation should reach the Agriculture Mechanization Committee, Ministry of Agrarian Reform, Baghdad, or the Iraqi Embassy 1801 P St., NW, Washington D.C., prior to July 31.

Copy of the "Notice of Tender," containing additional information, is available on loan from the Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

**283 Drugs**

*Ceylon*

Pharmaceutical proprietaries, patent medicines. Ernest H. Vijaya Sinha (manufacturer's agent), 25 Caffoor Bldg., Main St., Colombo. WTD 2/27/61.

*France*

Raw materials used in manufacture of pharmaceutical, veterinary products. Exclusive agency. Bodrero & Cie., S.A.R.L. (manufacturer, importer), 4 rue de l'Alboni, Paris 16. WTD 12/21/61.

Basic chemical, pharmaceutical products, drugs, medicinal herbs, such as Passiflore, Hamamelis, Viburnum, Hydrastis. G. L. Champion (importer, wholesaler, commission agent), 10 rue Castex, Paris 4. WTD 4/6/61.

*Switzerland*

Pharmaceuticals. Herba Herbert Bauer, A.G. (importing distributor, manufacturer), 62 Tannwaldstrasse, Olten. WTD 3/30/62.

**284 Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics**

*Germany*

Cosmetics, perfumes. Fritz Werner (manufacturer's agent), Postfach 1933, Essen. WTD 3/27/62.

*Switzerland*

Toiletries of all kinds; perfumes, preferably name brands. Herba Herbert Bauer, A.G. (importing distributor, manufacturer), 62 Tannwaldstr., Olten. WTD 3/30/62.

**285 Paints, Varnishes, Lacquers, Enamels**

*Germany*

Raw materials, fillers, ingredients for manufacture of oil paints, enamels, such as pearl white, barium sulfate. Albrecht Vogel, Graenzer & Co. (manufacturer's agent), Bugenhagenstr. 5, Hamburg 1. WTD 12/21/61.

**287 Agricultural Chemicals**

*Pakistan*

Fertilizers: ammonium sulfate, muriate of potash, urea, triple superphosphate. Barma & Co. (manufacturer's agent, commission merchant), 24 Badri Bldg., Mcleod Rd., Karachi. WTD 3/22/61.

**289 Miscellaneous Chemical Products**

*Ceylon*

Essential oils for food, beverage industries. P. Sivanandan (importing distributor, manufacturer's agent), Munsoor Bldg., 53 Main St., Colombo. WTD 10/30/61.

*Greece*

Carbon black for rubber goods industry. L. G. Sismanis (manufacturer's agent), 3 Paparigopoulou St., Athens. WTD 12/21/61.

**295 Paving, Roofing Materials**

*Pakistan*

Asphalt, 80%-100% penetration. Barma & Co. (manufacturer's agent, commission agent), 24 Badri Bldg., Mcleod Rd., Karachi. WTD 3/22/61.

**301 Tires, Inner Tubes**

*Germany*

Automobile tires, rubber products for repairing tires. Walter Mertens (manufacturer's agent), 12 Briedelerstr., Koeln-Zollstock. WTD 11/2/61.

**306 Fabricated Rubber Products**

*Germany*

Automobile hoses. Walter Mertens (manufacturer's agent), 12 Briedelerstr., Koeln-Zollstock. WTD 11/2/61.

**307 Miscellaneous Plastics Products**

*England*

Plastic kitchenwares, gadgets. G.F. Simpson & Co. (manufacturer's agent), 2 Grosvenor Crescent, London, N.W.9. WTD 3/16/62.

*Germany*

Plastics of all kinds for housing construction, such as nonelectric insulation

material, flooring, roofing materials. Alfred Schueschke (manufacturer's agent), 64 Am Stadion Sennestadt bei Bielefeld. WTD 7/14/61.

Plastic household articles. Wolfgang Mader (manufacturer's agent), Chilehaus, Hamburg 1. WTD 12/21/61.

Newly developed plastic building materials. Ernst-Wilhelm Schwuchow (manufacturer's agent), Margarethenhoehe, Braunschweig-Querum. WTD 8/23/61.

**311 Leather Tanning, Finishing**

***Italy***

Chrome tanned leather for shoe manufacture. Laverone Aldo (manufacturer's agent), Via Diaz 4, Vigevano (Pavia). WTD 10/2/61.

**314 Footwear**

***France***

Slippers for home, travel. Pierre Humeau et ses Fils (manufacturer), Boulevard de la Gare, Beaupreau (Maine-et-Loire). WTD 12/21/61.

**322 Glass, Glassware**

***Germany***

Household, industrial glassware of all kinds. Wolfgang Mader (manufacturer's agent), Chilehaus, Hamburg 1. WTD 12/21/61.

Glass gift articles. Heinrich Hellriegel (manufacturer's agent), 3 Bahnhofstrasse, 714 Ludwigsburg. WTD 3/23/62.

**326 Pottery**

***Germany***

Porcelain, ceramic gift articles. Heinrich Hellriegel (manufacturer's agent), 3 Bahnhofstrasse, 714 Ludwigsburg. WTD 3/23/62.

**331 Steel Mill Products**

***Greece***

Tinplate—original mill packing waste, electrolytic, 20 x 28 in. and larger, 20-26 gage; culls, 18-28 ins. and larger, 112 lb. basis and lighter; coke, 28-20 in. or 27 x 27 in. and larger, 155-215 lb., mostly 175-95 lb.; steel sheets, original mill packing, waste galvanized flat steel sheets, 28 gage and lighter, commercial soft, bright spangled finish, not corrugated and reflattened. L. G. Sismanis (manufacturer's agent), 3 Paparigopoulou St., Athens. WTD 12/21/61.

***Pakistan***

Galvanized pipe. Barma & Co. (manufacturer's agent, commission merchant), 24 Badri Bldg., Mcleod Rd., Karachi, WTD 3/22/61.

**335 Rolling, Drawing, Extruding Nonferrous Metals**

***India***

Nonferrous metals such as copper, zinc, lead, brass. Transocean Export & Import Agency (manufacturer), 5 Garstin Pl., Calcutta 1. WTD 3/14/62.

## Indian Firm Opens Staple Fiber Bids

An Indian firm, reportedly with an import license under AID loan, is inviting quotations for 5 million lb. of viscose staple fiber, 1.5 denier, 32 mm. and 38 mm., bright and dull.

Interested U.S. suppliers should forward their quotations to Arthur Import Export Co., 166 Dudabhai Naoroji Rd., Bombay, preferably by cable, FABYARN, Bombay.

**336 Nonferrous Foundries**

***England***

Cast-aluminum kitchenwares, gadgets. G.F. Simpson & Co. (manufacturer's agent), 2 Grosvenor Crescent, London, N.W.9. WTD 3/16/62.

**342 Cutlery, Handtools, General Hardware**

***England***

Cutlery, kitchen handtools, gadgets. G.F. Simpson & Co. (manufacturer's agent), 2 Grosvenor Crescent, London, N.W.9. WTD 3/16/62.

**346 Metal Stampings**

***England***

Stamped metal kitchenwares, gadgets. G.F. Simpson & Co. (manufacturer's agent), 2 Grosvenor Crescent, London, N.W.9. WTD 3/16/62.

**348 Miscellaneous Fabricated Wire Products**

***Germany***

Coat hangers. Fritz Werner (manufacturer's agent), Postfach 1933, Essen. WTD 3/27/62.

**353 Construction, Mining, Materials Handling Machinery, Equipment**

***Austria***

Excavating and earthmoving machines, drag shovels, skimmers, pile drivers, pay loaders, tippers, dumpers, concrete mixers, stationary and mobile cranes, elevators, vehicles for transporting building materials, vibrating machines, compressors, similar equipment. Hans Delarich (manufacturer's agent), 2 Eckpergasse, Vienna XVIII. WTD 4/2/62.

***England***

Batching and mixing machinery for concrete, concrete and mortar mixers, concrete pumps and spreaders, paver finishers, gravel pumps, washing and screening equipment for aggregates; soil stabilization equipment; well point dewetting equipment. Exclusive agency for distribution in Pakistan. Steel Bros. & Co., Ltd. (importer, distributor), Chesterfield House, 26/28 Fenchurch St., London, E.C.3. WTD 3/13/59.

***France***

Machinery, equipment—such as bulldozers, scrapers, shovels, tractors—for public works contractors. Ets. Charles Motz (manufacturer), 4a Rue Schertz, Strasbourg-Meinau (Bas-Rhin). WTD 3/29/62.

***Greece***

Crawler tractors, bulldozers, excavators, loaders, scrapers, graders, compressors (preferably mobile). "TECORE" Techno-Commercial Representations (commission merchant), 21 Voulis St., Athens. WTD 9/15/60.

***Pakistan***

Concrete mixers, asphalt-making equipment. Barma & Co. (manufacturer's agent, commission merchant), 24 Badri Bldg., Mcleod Rd., Karachi. WTD 3/22/61.

**354 Metalworking Machinery, Equipment**

***Germany***

Machines for manufacture of metal cans, boxes. M. Schmeling & Co. OHG (manufacturer's agent), 1 Rembrandtstr., Duesseldorf. WTD 4/3/62.

**355 Special Industry Machinery**

***England***

Toroidal coil-winding machines. R. H. Cole (overseas), Ltd. (importer), 2 Caxton St., Westminster, London, S.W.1. WTD 4/2/62.

***Germany***

Machines for manufacture of cardboard cans, boxes. M. Schmeling & Co. OHG (manufacturer's agent), 1 Rembrandtstr., Duesseldorf. WTD 4/3/62.

**356 General Industrial Machinery, Equipment**

***Australia***

Automatic sprinkler systems. Harrisons Ramsay Pty., Ltd. (importing distributor, wholesaler), 52-54 Clarence St., Sydney. WTD 2/9/61.

***England***

Centrifugal separators. T. H. & J. Daniels, Ltd. (manufacturer), Lightpill Iron Works, Stroud, Gloucestershire. WTD 4/4/62.

Pneumatic equipment, air compressors, blast drills, jack hammers. Exclusive agency for distribution in Pakistan. Steel Bros. & Co., Ltd. (importer, distributor), Chesterfield House, 26/28 Fenchurch St., London, E.C.3. WTD 3/13/59.

***France***

Machinery, accessories for manufacture of industrial packagings. Pusey, S.A.R.L. (manufacturer, trader), 23-25 rue des Petites Ecuries, Paris 10e. WTD 12/21/61.

## LEADS FOR IMPORTERS

*Commodities are offered direct unless specified.*

**213 Tobacco**

***Iraq***

Iraqi tobacco, crushed or leaf, 4 grades. Handrain Co. (constructing and trading), Mirjan Bldg., Southgate, Baghdad. WTD 1/23/62.

**275 Paper Products**

***Austria***

Highly durable pad for use with guillotine paper-cutting machines; stationery, paper goods, advertising, gift items. Good quality. Direct or through agents. "HO - PA" Papier - Hendelsgesellschaft m.b.H. (manufacturer, wholesaler), 24 Neubaugasse, Vienna VII. WTD 4/4/62.

**283 Botanical Products**

***Burma***

Rauwolfia Serpentina roots. 100 tons yearly. Direct or through agents. Yin Whet Moh Co. (registered exporter), 8A Maingay St., Moulmein. WTD 10/10/61.

***Iraq***

Licorice roots. Commercial Exchange Firm (general trading and commission), Al-Mosawi Bldg., Dept. 15, Taht Al-Takia, Baghdad. WTD 10/21/61.

**284 Toilet Preparations**

***France***

Highest quality cologne, toilet water, perfumes by specialist; established in 1878. Alcoholic strength 60°-90° C., in attractive large glass bottles, fancy glass vials of 4½ oz. or less, boxed for gifts; wide variety of fragrances. Preferably direct to large department or chain stores dealing in deluxe products. Parfumerie Andre Thibeault (producer, wholesaler, exporter), 96-98 rue Chevalier, Bordeaux, Gironde. WTD 2/24/61. Photographs, price lists.★

**314 Footwear**

***France***

Lightweight summer shoes, sandals for women, young girls, cemented soft leather, canvas; women's winter house slippers, felt; stout boots, leather or canvas, with vulcanized soles, for school boys and girls. Good quality. Direct or through agents. Etablissements J. Biraben (manufacturer, wholesaler, exporter), Mauleon-Soule, Basses-Pyrenees. WTD 3/26/62. Descriptive pamphlets.★

Ankle boots ("after-ski"), related leather, vulcanized articles for men, women. Good quality. Large quantities. Direct or through agents. "La Vendeenne" (Manufacture de Chaussures) (manufacturer, wholesaler, exporter), Sainte-Hilaire-de-Loulay, Vendee. WTD 3/26/62. Descriptive pamphlets.★

**322 Glass, Glassware**

***Germany***

Artistic glass, drinking glasses of superior quality, different shapes and sizes, large quantities; hall mirrors, furniture; mirrors, glass plates for furniture, sanitary requirements. Karl August Esser (manufacturer), 35 Im Heidewinkel, Duesseldorf-Gerresheim. WTD 3/26/62. Catalogs, leaflets, price lists.★

**331 Blast Furnaces**

***Brazil***

Pig iron, 2,000 metric tons monthly. Companhia Siderurgica Ita-Minas (manufacturer), Caixa Postal 36, Itauna, Minas Gerais. WTD 4/2/62.

## NEW TRADE LISTS

**The Commercial Intelligence Division has published the following new trade lists of which mimeographed copies may be obtained by firms domiciled in the United States from this Division and from Department of Commerce Field Offices, Telephone WO. 7-4130 in Washington. The price is $1 a list.**

**Most lists are prefaced by a brief review of basic trade and industry data collected in making the compilations. All are dated April unless otherwise indicated.**

Air Conditioning and Refrigeration Equipment Importers, Dealers, and Manufacturers—Guatemala.

Air Conditioning and Refrigeration Equipment Importers and Distributors —Nigeria.

Beverages, Nonalcoholic, Manufacturers —Venezuela.

Boat and Ship Builders, Repairs, and Chandlers—Ecuador.

Boot and Shoe Importers and Dealers—Finland.

Business Firms—Guinea.

Cooperage and Container Importers and Dealers—Norway.

Dry Goods and Clothing Importers and Dealers—El Salvador.

Fertilizer Importers and Dealers—The Netherlands.

Instrument, Medical, Surgical, Hospital, Scientific, and Process Importers, Dealers, and Manufacturers—El Salvador.

Leather and Shoe Finding Importers and Dealers—Finland.

Machinery and Equipment, Except Electrical Importers and Dealers—Israel.

Mining Companies and Exporters of Ores —Algeria.

## FOREIGN VISITORS

*Scheduled arrival dates and U.S. addresses indicated.*

**Australia**

J. L. Amsberg, representing J. A. Trading Co. Pty., Ltd., 3A Victoria St., Paddington, Sydney, interested in meeting with U.S. manufacturers of **nylon carpets** with view to importing. Early May via New York for 2 months; c/o Sheraton-Atlantic Hotel, Broadway & 34th Sts., New York, N.Y. Itinerary: New York, Boston, Chicago, San Francisco, Los Angeles.

**Germany**

Hans Einwaechter, representing U.v.d. Osten & Kreisinger, Werner-Siemens-Strasse 17, Hamburg-Billstedt, interested in visiting manufacturers of **piston rings** for diesel engines; also technical information on above. Apr. 24 via New York for 3 weeks; c/o Sheraton Hotel, Chicago, Apr. 28-May 1; Hotel Pfister, Milwaukee, May 2-4; Henrose Hotel, Detroit, May 5-11. Itinerary: New York, Cleveland, Chicago, Milwaukee, Detroit.

Willy Pelz, representing W. Pelz & Co. K.G., Industriegelaende, Wahlstedt/Holstein, interested in meeting manufacturers of **medical and technical absorbent cotton.** Apr. 20 via New York for month; c/o Dr. P. R. Wagner, Apt 9J, 225 E. 46th St., New York, N.Y. Itinerary; New York, Philadelphia, Atlanta, Chicago, Washington D.C.

**Mozambique**

Jiwa Jamal Tharani, representing Caju Industrial de Mocambique, S.A.R.L., P.O. Box 1364, Lourenco Marques, processor and exporter (principally to U.S.) of cashew kernels, interested in obtaining **financial assistance** to renovate company operations. Apr. 23 via New York for 6 weeks; c/o Mitchel Beck Co., Inc., 105 Hudson St., New York 13, N.Y. Itinerary: New York.

**Nicaragua**

Mrs. Rosibel G. Prieto, representing Manuel J. Riguero & Co., Ltd., Scurs., Ave., Roosevelt, Managua, interested in **import-agency arrangements;** also imports of **household items.** Apr. 22 via Miami for 1 month; c/o 7259 Radbourne Rd., Apt. D, Upper Darby, Pa.; or c/o Underwood Corp., 1 Park Ave., New York, N.Y. Itinerary: Miami, Philadelphia, New York, Seattle, Oakland, San Francisco.

**Norway**

Finn F. Mastrup, representing Bygningsartikkel-Compagniet, 6 Drammensveien, Oslo, interested in importing **floor coverings,** e.g., tile. Apr. 29 via New York for 3 weeks; c/o Norwegian Con-

sulate General, New York, N.Y. Itinerary: New York, Washington, D.C., Columbus, Pittsburgh, Buffalo.

Erik Lynne, representing Okonom Elektrisk, 9 Rosenkrantzgaten, Oslo, interested in importing **washing machines, refrigerators, mixers, other electric household appliances.** Apr. 29 via New York for 3 weeks; c/o Norwegian Consulate General, New York, N.Y. Itinerary: New York, Washington, D.C., Detroit, possibly other cities.

### Peru

José Alberto Murguia, representing A. Murguia Inmobiliaria, S.A., Jiron Union 892, Oficina 701, Lima, interested in contacting U.S. designers and manufacturers of **naval equipment,** including shipbuilders. Apr. 22 via Miami for 3 weeks; c/o Peruvian Consulate, 2526 32d St., Seattle, Wash. Itinerary: Seattle, San Francisco, Portland.

## Rails . . .

*(Continued from page 791)*

kg./m. (105 lb./yd.); tender S.21, noon, May 16. Director, Railway Stores, Railway Board, Ministry of Railways, New Delhi. Tender documents available from India Supply Mission for $1.05, Ref. D/ENQ-441.

### Iran

**Trotyl,** 50 metric tons; May 20.

**Retorts,** 4, for nitric acid; and pressure vessel, 1; June 6.

**Drawing and forming dies** for use on presses, 13 types; June 2.

Armament Department of the Imperial Iranian Army, DT/Section, Avenue Jale, Teheran.★

### Iraq

**Hacksaw blades** with frames; tender 82/62, May 2.

**Conduit pipes,** galvanized; tender No. 85/62. May 2.

Low-tension **distribution equipment** for substation distribution boards; tender 86/62, May 16.

Terms and specifications for each item available from Iraqi Ports Administration, Basra, for $2.80 (1 dinar) per copy.

**Receiver-transmitter units** for Ministry of Agriculture; noon, June 3. President, Central Foreign Purchasing Board, Ministry of Finance, Baghdad. Specifications and bidding documents available from Secretary of this authority for $1.40 (0.500 dinar).★

**X-ray equipment** for neurosurgical unit for Salaam Hospital, a government hospital; June 3. Terms and specifications available from Secretary, Central Foreign Purchasing Board, for $2.80 (1 dinar).

**Steel,** design and supply of **structural steel** for columns and roof spans for new spare parts factory; tender 14/62, noon, June 2. Tender documents available from Directorate General, Government Oil Refineries Administration, Baghdad, for $8.40 (3 dinars).

**Lubricating oil additive,** 91,811 U.S. gallons of detergent-dispersant-inhibitor type; tender 12/62. May 5. Specifications available from Government Oil Refineries Administration for $2.80 (1 dinar).★

**Electrical system,** including transformers, switchgear, and accessories, construction of 8 132-kv. main substations for Central Iraq Zone; contract 2/8C/19, noon, July 9. Ministry of Industry, D.G. of Industrial Design and Construction, Baghdad. Tender documents may be inspected or purchased for $98 until May 21, Embassy of the Republic of Iraq, 1801 P St., NW., Washington, D.C.

## Bank of Taiwan Asks Quotations

The Bank of Taiwan has been designated as Purchase Agent of the Bureau of Commodity Inspection and Quarantine, Taiwan Provincial Government, for the purchase of general equipment and calibration apparatus.

Michael Hung, Submanager, Trust Department, Bank of Taiwan, 62 Heng Yang St., P.O. Box 1903, Taipei, has requested quotations for various items under the heading of paper and paperboard testing equipment, as well as general equipment and calibration apparatus.

A list of the equipment and its various components is available on loan to firms domiciled in the U.S. from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.

### Korea

**Radio telephone and telegraph** including VHF, teletypewriter, coaxial cables; estimated budget $530,992; tender KFX-2027-S, 10 a.m., May 12. Office of Supply, Government of the Republic of Korea, Seoul. Tender documents available from Chung Soo Park, Procurement Officer, Korean Embassy, 2320 Massachusetts Ave., NW., Washington 8, D.C.★

**Grass seeds,** 16,000 kg., including ladino and red clover, orchard grass, timothy, and tall fescue, in varying percentages of germination and purity, estimated value $22,500; tender KFX-2030-S, project 62-14, May 8. Specifications available from Chung Soo Park at above address.

### New Zealand

**Paper,** 21,890 reams of various types, sizes, and colors; tender 4080, noon May 17. New Zealand Printing and Stationery Department, Government Printing Office, Private Bag, Wellington. Specifications available from New Zealand Senior Trade Commissioner, 1145 19th St., NW., Washington 6, D.C.

### Pakistan

**Switch and bridge ties** or **timbers,** 51,142 pieces, untreated, seasoned 6 months, oak, southern pine, gum or Douglas fir (about 3,133 M b.f.); tender 62/1720/6/S/TP, May 9. Bidding documents available from Office of Railway Board, Ministry of Railways & Communications, Government of Pakistan, Room 342, Central Secretariat Bldg., Shahrah-i-Kamal Ataturk, Karachi, for approximately $21 (100 rupees).

### Sudan

**Cable,** 2-wire 10-lb. telephone, 50,000 yd., 3-wire 10-lb. telephone, 20,000 yd., both in 100-yd. coils; tender 91, noon, May 31.

**Cable,** 12,000 yd., various types for underground and submarine use; tender 90, noon, May 31.

Controller, Stores & Workshops, Department of Posts and Telegraphs, Light Industrial Area, Khartoum South.★

**Block tin,** 10 metric tons, 99.9% purity; tender 2596, noon, May 10.

**Kitchen equipment** for proposed Sudan Hotel, Khartoum, everything required to supply 300 to 500 meals a day including cooking equipment and labor saving machinery; tender 2197, noon, May 28.

**Milling machines,** 2 self-motor driven high-speed vertical, longitudinal feed 18 in., transverse feed 7 in., vertical feed 14 in., with 3 complete sets of cutting tools; contract 2593. Office of Controller, Stores Department, Sudan Railways, Atbara.★

### Taiwan

Double track **tobacco redrying equipment;** tender GFB-111436, May 15.

**Cigarette paper,** 50,000 bobbins; tenders GFB-12117-A and GFB-12117-B, May 9.

Purchasing Department, Central Trust of China, 68 Yen Ping Nan Lu, Taipei.★

### Uruguay

**Wood resin** and **caustic soda,** 50,000 kilos each; Licitación 145, May 15.

**Tires** and **tubes** for automobiles; Licitación 146, May 15.

**Dental units,** 20, to include tray accessory table, salivary bowl, warm water and air syringe, saliva ejector; Licitación 147, May 15.

**Electric pulley,** 10-ton; tender 5271/62, 4 p. m., May 3. Documents for $0.17 (2 pesos).

**Sewing thread,** black and white, 4,690 dozen spools; Licitación 148.

Ministerio de Salud Pública, Division Administración, Dpto. de Adquisiciones y Suministros, Sector Adquisiciones, Sección Licitaciones y Suministros, Sector Adquisiciones, Sección Licitaciones y Compras, Avda. 18 de Julio No. 1892, Montevideo. Specifications in Spanish.★

# Visual Aids, Hoists, Photo, Safety Items Wanted by U.K. Firms

Two British companies are interested in licenses to produce either chains and electric hoists, hooks, and safety equipment or visual teaching aids, and office and photographic equipment.

● The Cine & Photographic Division of the Rank Organization wishes a licensing agreement with U.S. firms to produce teaching aids, and office and photographic equipment in the United Kingdom for marketing through their organization in countries outside North and South America.

Division produces cinematographic products, copying machines for office use, and visual teaching aids.

A brochure on the company is available on loan from Office of International Investment, U.S. Department of Commerce, Washington 25, D.C.

Write to The Rank Organization, Cine & Photographic Division, Mitchildean, Gloucestershire, England.

● A producer wants a license to manufacture chain and electric hoists, clamps, grabs, hooks, slings, and safety equipment for lifting.

Company does business as a ship chandler, shipwright, and blacksmith, and makes lifting beams, wire stops, and chain slings. All work is done on a custom basis.

Also are wholesalers of shackles, hooks, chain, turnbuckles, wire rope, and thimbles.

Write to Maritime Stores, Ltd., 8-10 Lancelots Hey, Liverpool 3.

## *Australian Firm Asks Mining Equipment*

An Australian manufacturer wishes to enter into a licensing agreement to make tractor shovels and diesel excavators, as well as other types of mining and construction equipment.

Company produces overhead traveling and furnace charging cranes and coke rams. Also makes mobile cranes and excavators under license.

Because of the rapid expansion of open-cut coal and bauxite mining operations in Queensland and Western Australia, the firm belives there are good sales opportunities for this equipment.

Write to W. A. Hodkinson & Co., Ltd., 152 Taren Point Rd., Carinbagh, New South Wales.

# Licenses Sought by German Firms For Industrial, Novelty Articles

U.S. manufacturers of metal soaps, stabilizers, and wiredrawing agents; heating equipment; insulated steel pipe; plastic electrical equipment; or illuminated displays and novelty items have been asked to participate in licensing arrangements for West Germany.

● A manufacturer wishes a licensing arrangement in order to produce metal soaps, related types of stabilizers, and special wiredrawing agents used by wire- and metalworking industries.

Now produces stearin, olein, glycerine, and lead, zinc, and other stearates.

Firm employs 100 persons and annual sales are about $600,000.

Write to Peter Greven, Seifen u. Glyzerinfabrik, KG, Iversheim near Euskirchen/Rhld.

● A producer of cast-iron stoves using solid and liquid fuels wants licensing arrangements with U.S. firms to produce related products.

Has own sales organization and sells to wholesalers of household appliances and equipment throughout the Federal Republic but sales are declining because of increasing popularity of other heating equipment.

Firm would like to manufacture equipment which would not require major plant changes.

Write to Wiedaer Huette AG, Waldstrasse, Wieda/Harz.

● A producer and exporter of welded steel pipe wants a licensing agreement or partnership to make specialized pipe in Germany.

Hopes to contact a U.S. firm experienced in the external and internal insulation of steel pipe with cement, rubber, or plastics.

Owns an industrial site large enough to accommodate the required additional plant.

Write to Roehren & Schweisswerk Gebr. Fuchs, 16 Muehlenstr., Kaa-Marienborn, Kreis Siegen, Westfalen.

● An importer and manufacturer's agent seeks licensing arrangements with U.S. producers to make all kinds of small plastic electrical equipment.

Firm deals in electrical equipment—relays, electrolytic and compensating condensers, cables, electric soldering equipment, and fluorescent lamps.

Write to Klaus Lindenberg KG, 21 Boeckstrasse, Mannheim, W. Germany.

● A firm of designers and manufacturers seeks a licensing arrangement with a U.S. producer of electrically illuminated display stands, mobile displays, sales aids, and related novelty items.

Now makes a wide variety of advertising aids and display stands from plastic, cardboard, wire, hard fiber, and glass, and also plans to produce toys.

Write to Wuellner & Mai, Werkstaette fuer Werbemittel, Ziegelstrasse 8, Hannover-Ahlem.

## *Agricultural Equipment Needed in Sudan*

A Moroccan firm is interested in contacting U.S. manufacturers of small, general purpose power-driven cultivators and small agricultural equipment for cotton and sugar beets.

Initially, would import such equipment, fully assembled and ready for use, from the U.S.; later, parts would be imported and assembled locally; and, finally, local manufacture would be developed under a licensing arrangement.

U.S. firms interested in licensing the manufacture of their products in Morocco should write the Office of International Investment, Code 1-352-3, U.S. Department of Commerce, Washington 25, D.C.

## Equipment Licenses Asked in Canada

A Canadian industrial machinery producer and steel fabricator wishes to enter into a licensing arrangement to produce equipment for the sawmill, material-handling, and mining industries.

Is particularly interested in gang saws, planers, chippers, loaders, cranes, giraffes, and tow trucks.

Company proposes payment through a fixed licensing or royalty arrangement. Does not require financing but would welcome technical assistance in the early stages.

Illustrated material is available on a loan basis from Office of International Investment, U.S. Department of Commerce, Washington 25, D.C.

Write to Dominion Bridge Co., Ltd., P.O. Box 2160, Vancouver 3, British Columbia.

## Joint Venture Outlined For Storage Battery Production in Greece

A manufacturer of 6- and 12-volt storage batteries in Greece wishes a joint venture in order to set up a new plant.

The firm believes that by building a modern plant, taking advantage of special benefits accorded by the Greek Government to new industries set up in the provinces, and by employing more efficient production methods, it could reduce production costs, improve quality, and increase its domestic and oversea sales.

Owners are prepared to match an investment of $100,000 with a like amount.

The U.S. firm is expected to supply technical know-how.

The Greek company also offers their present organizational apparatus, including sales outlets. They further propose to discontinue their own production of batteries and begin new production with an initial capacity of 50,000 units.

Communicate with PAK Accumulators, Ltd., 20 Sikelias St., Athens; cable address: PAK—Athens.

## *Island Hotel in Uganda Wants Sale or Partner*

A hotel on an island in the Kagera River, Uganda, is offered for outright sale or for operation on a partnership basis.

The hotel is built of concrete blocks and consists of a furnished residential house to accommodate 8 guests, with nearby servants' quarters.

The 6.2-acre island is operated under a 43-year lease and foundations have been laid for a luxury-type hotel or club comprising 12 bedrooms and one single room, each with private bath, a bar, lounge, dining room, breakfast room, kitchen, pantry, office, and storage rooms.

The hotel foundations could be used for an educational training center, college research base, mission hospital or as a base for a film colony.

Fishing, hunting, swimming, and tennis facilities are available.

About $40,000 would complete the main hotel.

Write to Mrs. Toni Nuti, Kikagata, Mbarara, Uganda.

# *French Concerns Seek, Offer Licenses*

Three French firms want licenses from manufacturers in the U.S. to produce industrial ovens, furnaces, and chimneys; pharmaceutical specialties; or mechanical items.

Another French company offers licensing opportunities to U.S. firms to produce its patented lightning and line arresters, or to assemble and use varied types of isothermic panels, containers, or small houses.

● A manufacturer of industrial ovens, furnaces, and chimneys asks a licensing agreement to produce related equipment in France.

Firm is said to have a good commercial and professional reputation.

Write to Hartmann Pere et Fils, 1 Rue Jean Dollfus, Belfort.

● A Parisian producer of pharmaceutical specialties and wholesaler of chemical products seeks a licensing agreement for pharmaceutical specialties in France.

Firm is said to have a good reputation and has its own distribution set-up.

Write to Laboratoires Lobica, 10 rue Danielle Casanova, Paris 2e.

● Another manufacturer wants a licensing arrangement with an American firm to manufacture small- and medium-sized mechanical item in limited or moderate quantities.

Firm makes needles, platinum plates and prickers for the hosiery industry, molds for the plastic industry, and precision tools.

Write to Ets. Lebocey-Auguilles, S.A., 3 rue Chaillouet, Troyes (Aube), France.

### *For Manufacture in U.S.*

● An established company wishes to license an American firm to produce or use different lines of patented equipment.

1. Station-type lighting arresters, and heavy-duty and medium-duty line arresters.

2. To assemble and utilize premanufactured isothermic sandwich-panel sections for refrigerator cars, trucks and trailers. Also, cooling room isothermic containers, and prefabricated isothermic houses for tropical countries are offered.

The firm, a prominent industrial establishment, owns and operates a well-equipped plant in southwest France with with adjacent installations covering some 1.8 million square feet, of which 430,400 are sheltered. Company employs 700.

For further information, write to Office of International Investment, Code 1002, U.S. Department of Commerce, Washington 25, D.C.

## *Clothing Industry Proposed In Sudan*

A manufacturer in Sudan would like to establish contact with American firms that would supply capital and technical assistance to set up a readymade clothing industry.

Write to Khartoum General Stores, P.O. Box 74, Khartoum, Sudan.

## Food Processor in Austria Looks for Agency, License

The processor of a broad range of canned foods wants a licensing arrangement with a U.S. firm to produce brand-name food preserves, fruit juices, and pastes in Austria.

Company is also interested in an agency agreement in this field, as well as the export of its own products.

Now produces like items under its own trademark and is also a wholesale wine importer, maintaining outlets throughout Austria.

Is a well regarded family enterprise located in the country's southernmost farm province and has a modern cannery, sawmill, and cooperage plant.

Write to POMONA-Obstverwertung, Zernatto & Co., St. Ruprecht b. Villach/Carinthia, Austria.

## Gas Space Heater License Sought in Netherlands

A manufacturer of gas space-heating equipment in the Netherlands wishes to obtain a licensing agreement to produce such items for residential and light commercial use.

Firm's present production is mainly for domestic purposes.

Is reported to have a very good reputation.

Company's illustrated catalog may be obtained on loan from Office of International Investment, U.S. Department of Commerce, Washington 25, D.C.

Write to Velie Gasverwarmingsapparatenfabriek Gebroeders Vermulen, NV, Schoolstraat, Amsterdam.

**World Trade Week, May 20-26: Consult your local Field Office**



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# Export Promotion Calendar

*Star (★) indicates U.S. Department of Commerce exhibit participation.*

### April

**30**—Annual convention, Empire State Association, Utica, N.Y. Commerce speaker: Benjamin Kaplan, Business and Defense Services Administration.

**30**—Tri Cities Trade Conference, Charter House Inn, Buffalo, N.Y. Sponsors: Buffalo World Trade Association, Rochester World Affairs Council, Syracuse World Trade Association. Speaker: Senator Jacob Javits. Subject: Trade Expansion Act of 1962.

### May

**1**—Affiliated Advertising Agencies Network Convention, Richmond, Va. Commerce speaker: L. Edward Scriven, Bureau of International Business Operations.

**1**—Export Trade Seminar, administrative management course, Robert Morris School, Pittsburgh, Pa. Commerce speaker: Henry J. Dempsey, Bureau of International Business Operations.

**1**—Institute on International Trade, Monticello, Ill. Sponsors: Illinois Manufacturers Association, University of Illinois, Illinois Regional Export Expansion Council.

**1**—44th annual banquet, Niagara Falls Area Chamber of Commerce, Hotel Niagara, Niagara Falls, N.Y. Commerce speaker: Deputy Assistant Secretary for Trade Policy Peter T. Jones.

**3**—Export Trade Seminar, Warwick Hotel, Philadelphia, Pa. Sponsor: Provident Tradesmen's Bank. Commerce speaker: John S. Stillman, Deputy to the Under Secretary.

**3**—Export Workshop, Door Operators Trade Association, Chicago, Ill. Cosponsors: U.S. Department of Commerce and Small Business Administration. Commerce speaker: James F. Weldon, Chicago Field Office.

**3-4**—Western International Trade Group meeting, Seattle, Wash. Commerce participants: Office of the Assistant Secretary for International Affairs; Bureau of International Business Operations; Bureau of International Programs.

**4-5**—Briefing conference on Foreign Aid, Trade, and Investment. Shoreham Hotel, Washington, D.C. Sponsors: Federal Bar Association and Bureau of National Affairs. Commerce speakers: Robert E. Giles, General Counsel, and Edmund F. Becker, Bureau of International Business Operations.

**6-12**—World Trade Week celebration, New Orleans, La. Sponsor: Foreign Trade Committee, Chamber of Commerce of New Orleans area; Louisiana-Mississippi Regional Export Expansion Council. Chairmen, Edwin A. Leland, Jr., New Orleans Field Office; Aaron Mintz, Regional Export Expansion Council.

**7-11**—International Foundry Congress and 66th American Castings Congress and Exposition, Cobo Hall, Detroit, Mich.★

**8**—World Trade Clinic, Claypool Hotel, Indianapolis, Ind. Sponsor: Committee of American Steamship Lines. Commerce speaker: Paul E. Pauly, Bureau of International Business Operations.

**8**—12th Annual import-export meeting, Ridgefield Country Club, Kingsport, Tenn. Sponsor: Appalachian Traffic Club.

**8**—Profits in Export luncheon, Yonkers, N.Y. Sponsors: Chambers of Commerce of Yonkers, White Plains, New Rochelle, Mt. Vernon.

**9**—Foreign Trade Workshop, New Haven, Conn. Sponsor: Manufacturers Association of Connecticut. Commerce speaker: E. E. Schnellbacher, Bureau of International Business Operations.

**9-11**—Mississippi Valley World Trade Conference, New Orleans, La. Sponsor: Louisiana-Mississippi Regional Export Expansion Council. Commerce speakers: Rene Lutz, Bureau of International Programs; Henry J. Dempsey, Bureau of International Business Operations.

**10-11**—Midwest Industrial Procurement Meeting, Des Moines, Iowa.★

**10**—Trade Expansion Seminar for the Music Industry, Chicago, Ill. Sponsor: Americans for a Music Library in Israel. Commerce speaker: Edward R. Killam, Business and Defense Services Administration.

**11-22**—6th U.S. World Trade Fair, Coliseum, New York, N.Y.★

**13-17**—Sixty-sixth annual convention, National Association of Credit Management, Hotel Philadelphia-Sheraton, Philadelphia, Pa. Speaker: Albert J. Redway, Export-Import Bank of Washington.

**13-18**—Ninth Institute on International Trade, Monticello, Ill. Sponsor: University of Illinois, Illinois Manufacturers' Association.

**14**—International Trade Seminar, Monticello, Ill. Sponsors: Illinois Manufacturers' Association; University of Illinois Institute on International Trade. Commerce speaker: Anthony J. Buchar, Manager, Chicago Field Office.

**14**—Export Workshop, Water Systems Council, Highland Park, Ill. Cosponsors: Chicago Field Office, Small Business Administration.

**15**—Small Business Counciling Conference, Rock Island, Ill.

**15**—U.S. Travel Area Workshop luncheon, Hotel Lafayette, Buffalo, N.Y. Commerce speaker: Deputy Assistant Secretary for Trade Policy Peter T. Jones.

**16**—Annual Credit Congress, National Association of Credit Management, Philadelphia, Pa. Commerce speaker: Under Secretary Edward Gudeman.

**16-17**—Conference for corporation executives: The Business Outlook in South and Southeast Asia. Hotel Statler, Washington, D.C. Sponsor: School of Advanced International Studies, Johns Hopkins University.


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# Need An Agent Or Distributor Abroad? Commerce Field Offices Can Help

**THE U.S. Department of Commerce provides specialized services to American firms seeking agency connections or distributors abroad. Whether presently engaged in export trade, or interested in determining market prospects, these services can be of value to you.**

**TRADE LISTS** provide names, addresses, and basic information on firms handling specific commodities, or offering special services in individual foreign countries. Information is included on relative size, type of operations, products handled, and basic marketing and research data on the particular industry or commodities covered. Trade Lists are available at $1 each.

**WORLD TRADE DIRECTORY REPORTS** provide information on individual foreign firms including type of organization, method of operation, lines handled, size of firm, sales territory, names of owners or offices, capital, sales volume, and general reputation in trade and financial circles. Price, $1 each.

**TRADE OPPORTUNITIES** present specific requests from firms in foreign markets for connections with American suppliers for direct purchases of specific products, on offering to serve an agency or distributor basis.

**TRADE CONTACT SURVEYS** also may be used where satisfactory trade connections through the sources listed above are inadequate. This service is designed to locate several foreign firms in a particular country to meet the exporter's specific requirements. A charge of $10 is made for each survey conducted.

For further information on or use of these services consult the nearest Field Office. The experienced international trade specialists in the office will be glad to assist you.

## Field Office Locations

**Albuquerque, N. Mex.**, U.S. Courthouse, CHapel 7-0311.
**Atlanta 3, Ga.**, Home Savings Bldg., JAckson 2-4121.
**Boston 10, Mass.**, 80 Federal St., CApitol 3-2312 or 2313.
**Buffalo 3, N.Y.**, Federal Bldg., TL. 3-4216.
**Charleston 4, S.C.**, Area 2, Sergeant Jasper Bldg., 722-6551.
**Cheyenne, Wyo.**, Majestic Bldg., 634-2731.
**Chicago 6, Ill.**, 226 W. Jackson Blvd., ANdover 3-3600.
**Cincinnati 2, Ohio**, Fifth Third Bank Bldg., DUnbar 1-2200.
**Cleveland 1, Ohio**, Federal Reserve Bank Bldg., CHerry 1-7900.
**Dallas 1, Tex.**, Merchandise Mart, RIverside 8-5611.
**Denver 2, Colo.**, New Customhouse, KEystone 4-4151.
**Detroit 26, Mich.**, Federal Bldg., WOodward 3-9330.
**Greensboro, N.C.**, U.S. Post Office Bldg., BRoadway 3-8234.
**Honolulu 13, Hawaii**, 202 International Savings Building, 1022 Bethel St.
**Houston 2, Tex.**, Scanlan Bldg., CApitol 2-7201.
**Jacksonville 1, Fla.**, Federal Bldg., ELgin 4-7111.
**Kansas City 6, Mo.**, 911 Walnut St., BAltimore 1-7000.
**Los Angeles 15, Calif.**, Western Pacific Bldg., RIchmond 9-4711.
**Memphis 3, Tenn.**, Falls Bldg., JAckson 6-3426.
**Miami 32, Fla.**, Ainsley Bldg., FRanklin 7-2581.
**Minneapolis 1, Minn.**, Federal Bldg., 339-0112.
**New Orleans 12, La.**, 333 St. Charles Ave., 529-2411.
**New York 1, N.Y.**, Empire State Bldg., LOngacre 3-3377.
**Philadelphia 7, Pa.**, Jefferson Bldg., WAlnut 3-2400.
**Phoenix 25, Ariz.**, New Federal Bldg., 261-3285.
**Pittsburgh 22, Pa.**, 1030 Park Bldg., GRant 1-0800.
**Portland 4, Oreg.**, Old U.S. Courthouse Bldg., CApitol 6-3361.
**Reno, Nev.**, 1479 Wells Ave., 2-7133.
**Richmond 19, Va.**, Parcel Post Bldg., MIlton 4-9471.
**St. Louis 3, Mo.**, 2511 Federal Bldg., MAin 1-8100.
**Salt Lake City 1, Utah**, 222 S.W. Temple St., DAvis 8-2911.
**San Francisco 11, Calif.**, Customhouse, YUkon 6-3111.
**Savannah, Ga.**, U.S. Courthouse and P.O. Bldg., ADams 2-4755.
**Seattle 4, Wash.**, Federal Office Bldg., MUtual 2-3300.